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**HOUSING ELEMENT
OF THE
GENERAL PLAN**

(As Revised in 1993)

CITY OF SIMI VALLEY

**Adopted on March 18, 1991
by Resolution No. 91-32**

**Amended on June 7, 1993
by Resolution No. 93-60**

CITY OF SIMI VALLEY
HOUSING ELEMENT
(As Revised, 1993)

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CHAPTER 5.0

EXECUTIVE SUMMARY

5.0.1 INTRODUCTION

The Housing Element is a component of the General Plan which assesses the housing needs of all economic segments of the City, defines the goals and policies which will guide the City's approach for resolving those needs, and recommends a set of programs which would implement policies over the next five years.

State law requires that all cities adopt a Housing Element and describes in detail the necessary contents of the Housing Element. This Housing Element responds to those requirements but it also responds to the special characteristics of the City's housing environment. This element was prepared in 1988 and revised in 1991 and 1993. The revisions incorporate the most current data and information that are readily available, an evaluation of the Housing Element (adopted in 1983), an assessment of the current and potential housing actions, and an assessment of resources of the private sector and all levels of the public sector.

5.0.2 CONTENTS

INTRODUCTION

The Housing Element consists of four chapters and supportive appendices. The first chapter summarizes the requirements that a Housing Element must address. Those requirements are a composite of State Statutes and pertinent case law. The first chapter also describes the information sources used to prepare the element and the need to ensure consistency with the City's General Plan.

The first chapter also explains the specific efforts of the City to gain input from representatives of a wide range of housing interests. The Neighborhood Councils, a citizen advisory organization established by the City of Simi Valley, reviewed the Housing Element prior to its consideration by the Planning Commission and City Council. The Element gained input from all economic segments and all geographic areas. This effort produced the Housing Element that was submitted for consideration by the Planning Commission and City Council prior to its re-submission to the State. In addition, workshops were held with the Planning Commission and City Council as well as formal hearings for final adoption of the document.

ISSUES AND OPPORTUNITIES: NEEDS ASSESSMENT

Summary of Needs

Total Population: (1990).....	100,218* persons
Median Age: (1990).....	31.2 years
Single Family Dwelling Household Size: (1990)....	3.217 persons
Median Income: (1990).....	\$45,200**
Total Housing Units: (1990).....	33,112* units
Owner/Renter Ratio: (1990).....	76/24
Estimated Single Family/Multi-Family Units.....	82/18

City's Share of Housing Needs Assessment (RHNA)
1989-1994.....4,781*** units

**HOUSEHOLD
INCOME
LEVEL**

**1989-1994
RHNA**

Very Low	612
Low	693
Moderate	1,069
Others	2,407
	4,781 units

- * 1990 U.S. Census of Population and Housing
- ** Oxnard/Ventura PMSA Figure from HUD (1989)
- *** SCAG Regional Housing Needs Assessment (December 1988)

The second chapter provides an assessment of the City's housing needs through a housing market analysis and an identification of the special and regional housing needs, constraints (governmental and non-governmental) to affordable housing, an inventory of sites suitable for residential development, conservation of assisted housing units, and needs for energy conservation. The needs assessment quantifies the problems of housing, especially the need to address housing affordability.

GOALS AND POLICIES

The third chapter consists of two parts: (1) the evaluation of the prior Housing Element and the progress of its proposed housing programs; and (2) the identification of new housing goals and policies. The evaluation (part one) assesses previously proposed programs and uses the results of this assessment to propose the recommended programs. The housing goals are identified in Chapter 3:

- a. Overall Goals: To create a balanced community with services and housing opportunities for all economic segments of the community.

Rehabilitation: To maintain and improve, where necessary, the existing residential stock.

Conservation: To conserve housing for all economic segments of the community.

Construction: To provide a wide range of housing types and an adequate supply of affordable housing while maintaining the quality of life for all residents.

- b. Special Needs: To establish programs to meet the special needs of target groups.

The remaining part of Chapter 3 organizes recommended housing policies into four sub-sets: construction, rehabilitation, conservation and administration.

IMPLEMENTATION: PROGRAMS

The last chapter presents the housing programs that respond to the needs and implement the goals and policies. The programs are organized into a format that identifies the action to be undertaken, the anticipated impact, the responsible agency, financing, and schedule.

FIVE YEAR ACTION PLAN***
1989-1994

HOUSING TYPE AND TENURE	RECIPIENT GROUP	HOUSEHOLD UNITS ELDERLY & HANDICAPPED	SMALL	LARGE	ESTIMATED YEAR OF PRODUCTION OR FINANCIAL COMMITMENT	PRINCIPAL FUNDING PROGRAM	RESPONSIBLE AGENCIES AND NOTES
<u>Rentals</u>							
Existing Apartments	Very Low*	225	70	15	Existing (continuing assistance)	Sec. 8 Program; CDA (Senior Rent Subsidy Program)	Area Housing Authority; Dept. of Environmental Services
New Construction Apartments	Very Low*	194	36	13	1989-94	Private Sector Developers	Dept. of Environmental Services; density bonuses and other incentives program, as well as market development
	Low	90	41	21			
	Moderate	--	74	28			
<u>Ownership</u>							
Existing Attached & Detached Single Family	Low** Moderate		10 50	10 30	Existing (continuing assistance)	City Bonds; CDA (First-Time Buyer Program)	Dept. of Environmental Services; First Time Home-Buyer Program
New Construction Attached & Detached Single Family	Low**	33	15	59	1989-94	Private Sector Developers	Dept. of Environmental Services; density bonuses and other incentives; First Time Homebuyer Program; specific plan areas affordable unit requirements; market development
	Moderate		30	15			
<u>Rehabilitation</u> Existing Single Family	Low*	25	80	45	1989-94	CDA; CDBG (Rehab. Program)	Dept. of Environ. Services

* Very Low (50% of Median Income), Low (80% of Median Income) and Moderate (120% of Median Income) as defined by HUD

** Low and Moderate as defined by the State for participation in the Bond Program

*** The continued affordability in all projects receiving incentives for affordable units is ensured through affordable housing agreements.

Note: This Five-Year Action Plan only projects the development of affordable rental and ownership housing units for very low, low and moderate households. The development of market rate units not included in this plan is also expected to satisfy the needs of median, moderate and upper (120%+ of Median Income) income households.

CHAPTER 5.1
INTRODUCTION

5.1.1 OVERVIEW

Each city in the State of California must have an approved General Plan to guide its development. Housing is one of the State's required elements of the General Plan. The Housing Element is an important planning guide to local jurisdictions; it identifies the housing needs of the city and recommends ways to meet those needs while balancing community objectives and resources.

The City's previous Housing Element was approved in 1983. The State law requires that housing elements be revised as appropriate but not less than every five years. The City submitted a revised draft Housing Element to the State most recently in 1991. The California Department of Housing and Community Development (HCD) reviewed that document and provided comments so that the City could consider revisions which would bring the draft into compliance with the state law. This document responds to those comments and makes other necessary updates to the 1991 draft.

The 1988 Housing Element, as revised in 1991 and 1993, consists of four chapters: Introduction, Issues and Opportunities: Needs Assessment, Goals, Policies and Evaluation, and Implementation: Programs. The Needs Assessment contains a thorough analysis of the important aspects of the housing market in Simi Valley. This revision updates the information base and expands the analysis to respond to all State required items. The Goals, Policies and Evaluation chapter was also revised based upon an evaluation of the progress of the City in meeting past housing goals and an update of housing goals where necessary. Additional quantification of objectives were also added to this revision. The final chapter, Implementation: Programs, identifies the programs and actions that the City should implement as part of the Element. The program, impacts, financing, and responsible agency are identified.

5.1.2 STATE LAW

The preparation of the Housing Element is guided by State law, Chapter 10.6 (and 10.7 for coastal communities) of the Government Code. The law governing the contents of housing elements is among the most detailed of all elements of the general plan. According to Section 65583 of the Government Code, "The Housing Element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, and scheduled programs for the preservation, improvement, and development of housing and shall make adequate provision for the existing and projected needs of all economic segments of the community".

The assessment of housing needs must include seven areas of analysis: existing and projected housing needs for all income levels (including the City's share of regional housing), demographic and housing characteristics, identification of sites for residential development, governmental and non-governmental constraints, special housing needs, analysis of assisted housing projects to identify those at risk of losing affordability, and energy conservation.

The second major component of a Housing Element that the law requires is "a statement of the community's goals, quantified objectives, and policies relative to the maintenance, improvement and development of housing" [Section 65583(b)]. The law recognizes that the needs will likely exceed the resources and City's ability to meet the needs. The

City must, however, "establish the maximum number of housing units that can be constructed, rehabilitated, and conserved over a five year time frame" [Section 65583(b)].

The final component that must be included in a Housing Element is "a program which sets forth a five year schedule of actions.....to implement the policies and achieve the goals and objectives of the housing element" [Section 65583(c)]. This program must do several things: identify potential housing sites "for all income levels, including rental housing, factory-built housing, mobile homes, emergency and transitional housing"; assist the housing needs of low and moderate income people; address governmental constraints that impact housing; conserve and improve existing affordable housing; and promote equal opportunities for housing.

5.1.3 CASE LAW

Decisions by U.S. and State courts have provided specific interpretations of the laws related to housing. The importance of the Housing Element has been reinforced by the courts, especially in California where landmark decisions have been made.

Associated Home Builders Etc., Inc. v. City of Livermore (1976) established the need to deal with housing in the regional context; Buena Vista Garden Apartment Assn. v. City of San Diego Planning Department (1985) asserted that a City's housing element must be in substantial compliance with the State law; and Pardee Construction Company v. City of Camarillo (1984) reaffirmed the court's recognition and protection of citizens power of initiative in cases where initiatives are reviewed for consistency with elements (housing) of the General Plan.

Although many cases could be cited, the purpose of this section is not to provide a legal overview of housing case law but to emphasize the importance of the Housing Element in potential litigation. This point will become increasingly important as the courts review legal actions brought against cities. The relationship of the Housing Element to other elements of the General Plan (especially land use) and development/growth control measures will come under close scrutiny by the courts. It is important that this context is maintained as the housing element is developed.

5.1.4 SOURCES OF INFORMATION

The Housing Element, as revised in 1991 and 1993, is based upon the most current information that was available at the time of preparation. The following sources in the Housing Element Revision were used: 1980 and 1990 Census data from the U.S. Department of Commerce, Bureau of Census; 1984-1989 Regional Housing Allocation Model (RHAM) and 1989-1994 Regional Housing Needs Assessment (RHNA) from the Southern California Association of Governments (SCAG); 1980 - 1989 housing and population estimates from California Department of Finance; 1986 - 1989 Housing Vacancy Rates from the Federal Home Loan Bank Board; 1989 Quarterly Reports from the Center for Real Estate and Urban Economics, University of California, Berkeley; 1990 Rental Housing from the City survey; the 208 Water Quality Management Plan; the Air Quality Management Plan; Department of Environmental Services reports; Simi Valley - Moorpark Board of Realtors report; various City surveys and data; Construction Industry Research Board; 1988-1991 Housing Assistance Plan; and Ventura County Area Housing Authority reports.

5.1.5 GENERAL PLAN CONSISTENCY

The Housing Element must be consistent with the rest of the General Plan. Housing must be viewed in a context that includes more than adequate shelter. The housing unit includes direct and indirect services as an integral part of the structure. Housing needs involve more than the availability of shelter. External factors affect the adequacy of housing, including the quality of public services, aesthetics and visual characteristics, and proximity to related land uses. For example, the location of one's house determines the school, park, library, police, fire and other services associated with that unit at a particular location.

The 1991 and 1993 Housing Element Revisions were prepared as an integral part of the General Plan and reviewed for consistency with its component elements.

In addition, the Housing Element was evaluated to determine the impacts of the Controlled-Growth Limitation Plan (Measure A) and Residential Building Permit Allocation System (See Goals and Evaluation chapter): City Ordinances 638 and 777.

5.1.6 CITIZEN PARTICIPATION

The importance of the Housing Element requires an opportunity for participation of citizens of all economic ranges. "The local government shall make a diligent effort to achieve public participation of all economic segments of the community..... [Section 65583(c)]. The process that the City used to gain community input to the Revised Housing Element went beyond the test of "diligent effort".

All Planning Commission and City Council meetings were public hearings which followed the City's procedures for notice and outreach to the community. In addition, to ensure a broad spectrum of input, the City held a special joint workshop before the Council and Commission to discuss housing goals and policies. Secondly, a special workshop was held with the Neighborhood Council Joint Chairs and with each Neighborhood Council meeting to review the revised draft.

The City made a diligent effort to include low and moderate income households in the review process of this document by circulating the draft element to housing interest groups, including organizations representing special needs groups, and community and senior groups, as follows: Simi Valley Neighborhood Councils; Area Housing Authority; Council on Aging; Ventura County Coalition for the Homeless; The Salvation Army; Care and Share; Chamber of Commerce; Building Industry Association; and Simi Valley-Moorpark Board of Realtors. The availability of the element was also broadcast over the local cable channel.

Notices regarding the Planning Commission and City Council Hearings were posted in community centers, libraries, City Hall, churches and other public places.

The following steps were followed to develop and adopt the Revised Housing Element.

- I Joint City Council and Planning Commission Session on Policies
- II Public Meeting Before Joint Chairs of the Neighborhood Councils
- III Public Hearings Before Planning Commission and City Council
- IV State Housing and Community Development Review and Comment
- V Public Meetings before Neighborhood Councils
- VI Planning Commission Recommendation
- VII City Council Approval

CHAPTER 5.2
ISSUES AND OPPORTUNITIES:
NEEDS ASSESSMENT

5.2.1 SUMMARY

This chapter provides a comprehensive analysis of the City's housing issues and opportunities. It includes several subsections. The City profile identifies the context for the assessment as well as the rest of the Housing Element. A market analysis summarizes the supply and demand characteristics of the City. Additional analysis includes the identification of regional housing needs including low income, a discussion of the needs of special housing groups; an analysis of constraints, both governmental and non-governmental, to the improvement, maintenance, and development of housing, an inventory of land suitable for residential development, and a discussion of energy conservation opportunities for residential development.

5.2.2 CITY PROFILE

The City's profile consists of the special characteristics and factors that provide the setting for the Housing Element. Simi Valley is located at the eastern end of Ventura County. Its valley setting, mediterranean climate, and rolling hills provide a unique and attractive living environment. This setting has a substantial impact on the shape of the City as well as its economic base. These conditions attract growth which in turn create a highly competitive residential atmosphere.

The City's development pattern is shaped by its geographic setting: The City has developed along the valley floor on both sides of the Simi Valley Freeway. Moorpark is located to the north and west; Thousand Oaks to the south and west; Piru to the north; Oak Park to the south, and the San Fernando Valley to the east.

The City has two general areas of development: the historic valley floor and the more recently developed hillside ranch areas. Each of these areas contain housing sub-markets which reflect their own unique attributes.

Simi Valley has experienced intense residential development. It is crucial that public services expand to meet the needs of the increasing population. These services include sewers, streets, police, fire, schools, recreation, etc. It is also important to locate housing to be accessible to other functions such as employment, services, shopping, and transportation.

5.2.3 MARKET ANALYSIS

The market analysis portion of the Housing Element examines the population and housing characteristics which largely determine the housing needs of the community. Such an analysis includes a discussion of the traditional indicators of supply and demand including those mandated by State law.

The development trends that shape the market reveal substantial growth and development. Since 1970 the City has grown by slightly more than 40,000 people. Southern California, and especially Ventura County, is experiencing large increases in population and housing. Simi Valley has increased its population by over two-thirds over the past twenty years and experienced an annual rate of population growth of nearly 3.5%. The housing stock has expanded to meet the demand that this growth has generated.

Table 5.1

Population Characteristics - Growth
City of Simi Valley
1970 - 1992

ANNUAL RATE GROWTH	YEAR	POPULATION	ANNUAL AVERAGE GROWTH
-----	1970	59,250	-----
3.1%	1980	77,500	1,825
2.5%	1985	86,800	1,918
4.3%	1988	97,572	3,626
2.1%	1989	99,770	2,081
0.4%	1990	100,218	358
0.5%	1991	100,621	539
1.2%	1992	101,799	1,178

Note: Population estimates for Census Years 1970, 1980, 1990 are on April 1. Other years are on January 1.

Sources: 1970/1980/1990 Census, U.S. Department of Commerce;
1985, 1988 and 1989 Housing and Population Estimates, California Department of Finance

DEMAND ANALYSIS

Current Population

The population of the City was 77,500 in 1980. Based on the 1990 Census figures, the population of the City grew to 100,218. Thus, the City's population increased by 22,718 people from 1980 to 1990, an increase of 29.3 percent. Ventura County's population increased by 26.4 percent during the same time. The City's population as a portion of the County's population grew from 14.6 percent in 1980 to 15 percent in 1990 as a result of a growth rate slightly higher than the County's rate.

Table 5.2

Population Characteristics - Growth
Simi Valley and Ventura County
1980 - 1989

YEAR	SIMI VALLEY	VENTURA COUNTY	SIMI VALLEY AS A PERCENT VENTURA COUNTY
1980	77,500	529,174	14.6
1990	100,218	669,016	15.0
Total Increase 1980-1990	22,718	139,842	16.2
Percentage In- crease 1980-1990*	29.3%	26.4%	-----

Source: 1980/1990 U.S. Census of Population and Housing, Summary Tape File 3

Race-Ethnicity

Simi Valley's population includes several races and groups of Spanish origin, but is predominantly Caucasian. With the exception of American Indian, all minority groups increased in size from 1980 to 1990 although their percentage of the total population remains small.

Table 5.3

Population Characteristics - Race and Ethnicity
City of Simi Valley

	1980		1990		PERCENT OF CHANGE
	Population	Percent	Population	Percent	
White	71,672	92.5	88,531	88.3	23.5
Black	833	1.1	1,601	1.6	92.2
American Indian	632	0.8	590	0.6	-6.6
Asian & Pacific Islander	1,703	2.2	5,381	5.4	216.0
Other Races	2,660	3.4	4,115	4.1	54.7
TOTAL	77,500	100.0	100,218	100.0	29.3
Hispanic Origin*	7,219	9.3	12,522	12.5	73.5

* Hispanic Origin is an ethnic, rather than a racial category. Persons of Hispanic Origin are counted in the Hispanic Origin category regardless of race.

Sources: 1980 and 1990 U.S. Census of Population & Housing

Race/ethnicity of the population is important to an analysis of housing needs and conditions. The cultural influence of races are often reflective of preferences for housing type, location of housing, associated services, and household composition. For example, the concept of "extended family" can have implications on overcrowding, and therefore, estimates of housing condition. As can be seen from Table 5.3, the racial and ethnic composition has not substantially changed since 1980. Although no projections of growth of minority population for Simi Valley are available, the Southern California Association of Government (SCAG) has forecasted substantial increases in the Hispanic population in Southern California. The near doubling of Hispanics between 1980 and 2010 will influence the ethnic composition of Simi Valley. The Asian population is projected to increase significantly during this time while the Black proportions are predicted to remain stable.

Age of Population

Age distribution is an important market characteristic because housing demand within that market is influenced by the housing preferences of certain age groups. Traditionally the young adult population (20-34 year olds) tend to favor apartments, low to moderate cost condominiums, and smaller single family units; the 35 to 65 year old groups provides the market for moderate to high cost apartments and condominiums and larger single family units; because they have higher incomes and larger household sizes; and the elderly population demands are similar to young adults but also include group quarters and mobile homes. Many seniors also live in older larger houses that was the traditional family home.

Table 5.4

Population Characteristics - Age Distribution City of Simi Valley

AGE	1980		1990	
	Population	Percent	Population	Percent
0-4 (pre-school)	6,518	8.4	8,065	8.0
5-19 (school)	25,118	32.5	23,301	23.3
20-24 (college)	5,968	7.7	7,547	7.5
25-54 (working)	33,266	42.8	49,575	49.5
55-59 (early retirement)	2,370	3.1	3,744	3.7
60-64 (retirement)	1,570	2.0	2,768	2.8
65+ (senior)	2,690	3.5	5,218	5.2
TOTAL	77,500	100.0	100,218	100.0

Median Age: 25.9 (1980), 31.2 (1990)

Sources: 1980 and 1990 U.S. Census of Population & Housing

While forecasts for age distribution are not available for Simi Valley, SCAG projected such information for Southern California. As a result of a young immigrant population and higher fertility rates in the Hispanic population, the region's median age will grow at a slower rate than the national rate. In 1980 the median age for males was 28.8 and females, 31.2 in the U.S. and 28.7 for males and 30.6 for females in Southern California. By 2010 the median age for males is projected to be 36.8 and 40.2 for females in the U.S. However, in Southern California the median age will only be 34.5 for males and 37.0 for females.

Household Size

Like age distribution, household size is a significant factor in shaping the demand for housing. The small household (1-2 persons per household) traditionally can find suitable housing in units with 0-2 bedrooms while family households (3-4 persons per household) can find suitable housing in units with 3-4 bedrooms, and large households (5 or more persons per household) can find suitable housing in units with 4 or more bedrooms. However, the choices also reflect preference and economics. Thus, many small households prefer, and obtain large units. Household size also impacts choice of location. For example, the small household (single person/ elderly) is not concerned with the quality of the school system.

Table 5.5
Population Characteristics - Household Size
City of Simi Valley
1980 - 1990

YEAR	HOUSEHOLD POPULATION	OCCUPIED HOUSEHOLDS	HOUSEHOLD SIZE
1980	77,346	22,036	3.51
1985	86,372	24,857	3.47
1990	99,952	31,998	3.12

Source: 1980/1990 U.S. Census of Population & Housing
1985 Housing and Population Estimates, California Department of Finance

As the regional and national trends for smaller average household size impact the City and as the housing type shifts to multi-family, the household size composition gradually declines. Household size has been declining in the City since 1985. A decrease in family size is expected to continue during the planning period. In 1980 Simi Valley had a larger household size (3.51 persons) than Ventura County (2.98 persons). The larger household size is a characteristic of the predominantly single family, detached housing stock within the City and the larger proportion of population in the "working" age group (25-54 years). As smaller units infuse the market and the population ages, the household size has continued to decline.

Based upon City analysis of subcomponents of population and housing types, household size figures were incorporated in Measure A, the City's Controlled-Growth Limitation Plan, approved by the voters in November 1986, as follows:

"Section 5

...

- (a) an apartment unit is equivalent to 2.3 residents, and
- (b) any other single family dwelling is equivalent to 3.358 residents.

These ratios shall be binding on the City until July 1, 1989, at which time the City Council may, following a duly-noticed public hearing, adjust these ratios per demographic data then available..."

The City has assessed revisions of these figures based upon more recent data and trends. As a result of this study, the persons for household figure has been determined to be 3.217 residents for single family dwellings. A ballot measure was approved on June 5, 1990, which will further reduce the persons per household factor for senior units from 2.3 to 1.7 persons per household. Apartment units occupied by non-seniors are equivalent to 2.3 persons per households. These factors may be adjusted in the future on the basis of demographic data then available.

Income

Income characteristics of the population are important market indicators because they influence the price range of housing in the community and the ability of the population to afford housing. The population of the City has historically had a median income above the median income of the County population. According to the 1980 Census, only one-third of the households in Simi Valley earned less than the regional median income of \$21,243. While the regional median family income rose to \$45,200 by 1990, the percentage of households in Simi Valley earning less than the regional median increased only slightly, to 37%. The City's median household income was shown as \$53,967 in the 1990 Census.

The distribution by four income groups (very low, low, moderate, and others) can be analyzed using the following income categories as recommended by the State Department of Housing and Community Development.

- o Very low income households are defined as those households whose annual income is not more than 50 percent of the median income. (\$0-\$10,621 in 1980; \$0 - \$22,600 in 1990).
- o Low income households are defined as those households whose annual income is between 50 and 80 percent of the region's median income (from \$10,621 to \$16,994 in 1980; \$22,600 to \$35,700 in 1990).
- o Moderate income households are defined as those households whose annual income is between 80 and 120 percent of the median income (from \$16,994 to \$25,492 in 1980; \$35,700 to \$54,250 in 1990).

- o Above moderate income households are defined as those households whose annual income is more than 120 percent of the region's median income (over \$25,492 in 1980; over \$54,250 in 1990).

As shown in Table 5.6, the percentage of households in each of these income categories has remained relatively stable since 1980. The percentage of households in the "Above Moderate" category declined by four percent while the percentages in the "Low" and "Moderate" categories each increased by two percent.

Table 5.6
Population Characteristics - Income Distribution
City of Simi Valley

INCOME LEVEL (Percent of Median)	1980		1990	
	HOUSEHOLDS	PERCENT	HOUSEHOLDS	PERCENT
Very Low (0-50%)	2,468	11.3	3,755	11.8
Low (51-80%)	2,583	11.8	4,274	13.4
Moderate (81-120%)	5,066	23.2	8,015	25.1
Above Moderate (121%+)	11,734	53.7	15,866	49.7
TOTAL	21,850	100.0	31,910	100.0

Based on Regional Median; \$45,200 in 1990

Sources: 1980 and 1990 U.S. Census of Population & Housing (Income for Year 1979 and 1989)

The U.S. Department of Housing and Urban Development (HUD) estimates "area median family income". A set of factors is used to calculate income limits by family size. In HUD regulations, family has the same meaning as household. These income limits are used to categorize households by income.

Table 5.7

Population Characteristics - Income Limits
Oxnard - Ventura PMSA
1990

INCOME CATEGORY	LIMIT BY SIZE					
	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON
Very Low	\$15,800	\$18,100	\$20,350	\$22,600	\$24,400	\$26,200
Low	\$25,000	\$28,550	\$32,700	\$35,700	\$37,950	\$40,150
Moderate	\$37,950	\$43,400	\$48,800	\$54,250	\$57,650	\$61,000
Above Moderate	\$37,950+	\$43,400+	\$48,800+	\$54,250+	\$57,650+	\$61,600+

Based on a median income of \$45,200

Sources: U.S. Department of Housing and Urban Development; California Department of Housing and Community Development

Table 5.8

Population Characteristics - Household Income Characteristics
Oxnard - Ventura PMSA
1980, 1984, 1987 - 1990

	1980	1984	1987	1988	1989	1990
Median Income	\$21,243	\$32,000	\$36,700	\$40,400	\$43,600	\$45,200
Very Low Income	\$10,621	\$16,000	\$18,350	\$20,200	\$21,800	\$22,600
Lower Income	\$16,994	\$25,600	\$29,350	\$32,300	\$34,000	\$35,700
Moderate Income	\$25,491	\$38,400	\$44,050	\$48,500	\$51,000	\$54,250

Sources: 1980 U.S. Census, 1990 U.S. Census
U.S. Department of Housing and Urban Development (HUD)
(Four person household)

Note: In HUD'S Community Development Block Program, "low and moderate" income refer to households earning up to 80% of median income.

Employment

Employment characteristics are important to housing market analysis because employment is directly related to income and ability to afford housing. In addition, the relationship between the location of housing and the location of employment has an impact upon transportation systems. Simi Valley is north and west of the major employment centers in the region. The largest portion of the labor force, 46.7 percent, commuted to the San Fernando Valley area to work. Thus, substantial commuting occurs between these employment sites and housing areas in the City as the higher

wages attract employees willing to incur the costs of commuting. However, a need for lower wage labor for the commercial and service centers of the City continues to increase. Thus, local affordable housing is a necessity.

According to the 1980 Census the civilian labor force in the City was estimated to be 36,320 persons. Approximately one-fourth (9,256) of the employed persons worked in the City. The 1990 Census showed the labor force increased to 56,232 persons with approximately one-third (18,991) of the employed persons working in the City. An additional 13.6% worked outside of the City but within Ventura County leaving 52.0% of the employed persons working outside of the County.

Table 5.9

Population Characteristics - Employment by Industry
City of Simi Valley

INDUSTRY	1970	%	1980	%	1990	%
Agriculture, Forestry & Mining	215	1.2	407	1.1	549	1.0
Construction	1,360	7.3	2,680	7.4	4,121	7.3
Manufacturing	6,299	33.8	10,282	28.3	12,463	22.2
Transportation, Communications & Utilities	1,088	5.8	2,480	6.8	3,554	6.3
Wholesale Trade	664	3.6	1,324	3.7	2,370	4.2
Retail Trade	3,098	16.6	6,035	16.6	9,085	16.2
Finance, Insurance & Real Estate	822	4.4	2,535	6.6	6,609	11.7
Services	2,895	15.5	9,240	25.4	15,732	28.0
Government	2,221	11.9	1,337	3.7	1,749	3.1
TOTAL	18,662	100.0	36,320	100.0	56,232	100.0

Sources: 1970, 1980 & 1990 U.S. Census of Population and Housing

Table 5.10

Population Characteristics - Occupation of Employed Persons
City of Simi Valley

INDUSTRY	1980	%	1990	%
Managerial & Administrative	4,334	11.9	9,219	16.4
Professional	4,264	11.8	7,662	13.6
Technical Support	1,402	3.9	2,572	4.6
Administrative Support	6,860	18.9	10,413	18.5
Sales	3,863	10.6	7,386	13.1
Services (except protective)	3,164	8.7	4,372	7.8
Protective Services	952	2.6	1,408	2.5
Farming, Forestry & Fishing	373	1.0	408	0.7
Craft & Repair	6,560	18.1	7,402	13.2
Machine Operators, Assemblers & Inspectors	2,615	7.2	2,280	4.1
Transportation & Material Moving	914	2.5	1,423	2.5
Laborers, Handlers & Helpers	1,019	2.8	1,687	3.0
TOTAL	36,320	100.0	56,232	100.0

Sources: 1980 & 1990 U.S. Census of Population and Housing

NOTE: Table 5.10 was revised deleting no longer comparable 1970 data and adding 1990 data and directly comparable 1980 data.

Table 5.10 shows an increasing concentration of persons in managerial, professional, technical support and administrative support occupations with combined categories totaling 46.4% in 1980, increasing to 53.1% in 1990. Since the positions normally associated with these categories are relatively higher paying than positions associated with other categories, the relatively higher income levels of households in Simi Valley in comparison to the balance of Ventura County should be expected. The low percent of agriculture employment adds support to the discussions of the farm workers needs (See Special Needs).

The Growth Forecast Policy completed by the Southern California Association of Governments (SCAG-88) indicates that in 1984 Ventura County accounted for approximately 4.0 percent of the employment growth in the SCAG region. Total employment in 1984 in Ventura County was 213,000, an increase of 40,900 over 1980, for an average annual growth rate of 5.9 percent. By 2010, Ventura County is projected to add 143,000 jobs, or 5% of the projected increase in regional employment between 1984 and 2010. By 2010, Ventura County's employment is projected to be 356,100. This is a 69% increase in the County's employment over the 26 year period. The

County's share of total regional jobs will still be about 4% of the regional total (SCAG's Growth Management Plans, April 1988 p. 12).

The City recognizes the importance of achieving a desirable balance within the community and at the same time reducing the daily out-migration of workers to employment centers outside of Simi Valley. Significant efforts are being made to enhance employment opportunities and attract large industrial users. The West End Industrial Area Specific Plan, approved for the western portion of the City's planning area, consists of a 446.5 acre development with a mixture of Industrial, Business Park, Auto Sales and Office Commercial uses.

The Peppertree Industrial Park and the Brea/Alamos Canyons and the Brandeis-Bardin Specific Plan Areas designate 672 acres for industrial and business park development. During the period 1982 to June 1988, 139 new industrial and service companies have relocated to Simi Valley, increasing employment by 8,243. The City is also negotiating the construction of a major regional shopping mall (in excess of 1 million square feet) to be located in the northwestern area.

SUPPLY ANALYSIS

Total Housing

The supply characteristics are the other component of the Housing Market Analysis. Demand is people oriented, supply is unit oriented. The total supply of housing for the City was 33,112 units in 1990. The housing is predominantly detached/attached single family (82%). The figures in Table 5.11 reveal several other significant supply characteristics. The housing stock grew by 28.6%, or 5.7% per year (7,360 units) from 1985 to 1990 while the population increased by 16.9 percent. Of this growth in supply, 4,472 units (60.7%) were single family units.

Although 2,652 multi-family units were added to the City's housing from 1985 to 1990, they rose from 8.6% of the housing stock in 1980 to 14.7% in 1990. The number of mobile home units have remained relatively unchanged from 1985 to 1990.

The housing supply in the City has increased at a faster rate than housing supply in Ventura County. The City's housing stock comprised 12.8 percent of the County's housing stock in 1985 and 14.2 percent in 1990.

Table 5.11

Housing Characteristics: Total Housing Units
1980 - 1990

	SINGLE FAMILY	TWO TO FOUR	FIVE OR MORE	MOBILE HOMES	TOTAL OCCUPIED	TOTAL
1980	20,342	897	677	717	22,036	22,633
1985	22,695	995	1,213	849	25,494	25,752
1990	27,167	1,188	3,672	861	31,998	33,112*

Source: 1985 City of Simi Valley

1980 & 1990 U.S. Census of Population and Housing Summary Tape File 3

* Includes 223 "Other," a category not used in earlier census reports

Tenure

Of the City's occupied housing units in 1980, 83 percent of the units were owner occupied units. Ownership rates are important because they are directly related to housing types and turnover rates. The increasing costs of single family ownership and the decline in single family construction suggest that the rate of ownership will decrease. SCAG has estimated a 80.0/20.0 owner/renter ratio for 1988 for the City. The 1990 Census shows that 76.4% of the City's occupied housing units were owner occupied and 23.6% were renter occupied.

Table 5.12
Housing Characteristics: Tenure
City of Simi Valley
1980-1990

TENURE	1980		1990	
	PERCENT	NUMBER	PERCENT	NUMBER
Owner	83.0	18,296	76.4	24,435
Renter	17.0	3,740	23.6	7,563
TOTAL	100.0	22,036	100.0	31,998

Sources: 1980: U.S. Census of Population and Housing

1990: U.S. Census of Population and Housing, Summary Tape File 3

Age of Housing Stock

Like most cities in Southern California, the housing stock in Simi Valley has been recently constructed. Table 5.13 shows that nearly 95 percent of the housing stock is less than thirty years old and more than half of the housing stock has been built since 1970. These facts would help to explain the low level of deterioration/substandard housing found in the City.

Table 5.13
Housing Characteristics: Year Housing Built
City of Simi Valley
Before 1949 to 1990

YEAR	NUMBER	PERCENT	ANNUAL AVERAGE
Before 1949	392	1.2	-
1950-1959	1,683	5.1	168
1960-1969	11,578	35.0	1158
1970-1979	8,551	25.8	855
1980-1990	10,908	32.9	991
TOTAL	33,112	100.0	

Sources: 1990 U.S. Census of Population and Housing, Summary Tape File 3

The age of housing in the City is an important characteristic of supply because it is an indicator of the condition of the City's housing. Many federal and state programs use age of housing as one factor to determine housing needs and the availability of funds for housing and/or community development. For those purposes, the most significant measure of the age of housing is the number of units more than 40 years old. Table 5.13 shows that 58.7 percent of the units have been built since 1970. Conversely, 6.3 percent of the housing stock was built before 1960.

Overcrowding

Although the 1980 Census did not include statistics on housing condition based upon observation, it did include statistics that correlate very closely with substandard housing. One of these indicators has been discussed (age of housing). This indicator is often combined with other factors to indirectly measure housing condition. Another such indicator is "overcrowding".

Overcrowding can serve as a warning sign that a community does not have an adequate supply of affordable housing and/or housing units for large families. However, many ethnic groups prefer an extended family environment. Thus, overcrowding figures must be carefully assessed.

Table 5.14

Housing Characteristics - Overcrowding
City of Simi Valley

Housing Units	Total Units	%	Owner Occupied	%	Renter Units	%
1980						
Occupied Housing Units	22,036	100.0	18,296	100.0	3,740	100.0
1.00 Person or Less/Room	21,224	96.3	17,766	97.1	3,458	92.5
1.01 or More Persons/Room	812	3.7	530	2.9	282	7.5
1990						
Occupied Housing Units	31,998	100.0	24,435	100.0	7,563	100.0
1.00 Person or Less/Room	30,495	95.3	23,695	97.0	6,800	89.9
1.01 or More Persons/Room	1,503	4.7	740	3.0	763	10.1

Source: 1980 U.S. Census of Population and Housing
1990 U.S. Census of Population and Housing, Summary Tape File 3

The term "overcrowded" is applied to units with 1.01 or more persons per room per unit. For the City in 1980, 812 units were "overcrowded", only 3.7 percent. While these numbers had increased to 1,503 units and 4.7 percent by 1990, overcrowding was still not significant in the City. It is anticipated that higher housing prices and the expected decline in the construction of multi-family housing may result in more overcrowding conditions in the future. In 1989, the Code Enforcement Division received 40 complaints of observed conditions of overcrowding.

Housing Cost

Although an assessment of "housing needs" includes such components as total unit number and types, age and condition, vacancy rates and overcrowding, the most overwhelming problem facing Simi Valley is the cost of housing. Of course, this problem is shared throughout the Ventura County housing market. The factors contributing to the rapid acceleration of property values and housing costs are numerous and will be discussed in greater detail in the housing constraints section.

The cost of housing in Simi Valley consists of value of owner units and cost of renter units. In 1990 the median value of owner units for the City (\$233,000) was very close to the County's (\$245,000). However, the monthly median rent for the City (\$844) was substantially higher in 1990 than the County's (\$695).

Table 5.15

Housing Characteristics - Median Housing Costs
Simi Valley & Environs

Jurisdiction	1980		1990	
	Median Value	Median Rent	Median Value	Median Rent
Simi Valley	\$95,000	\$495	\$233,000	\$844
Thousand Oaks	123,400	423	297,000	841
Moorpark	85,900	379	276,800	866
Oxnard	72,900	267	204,600	634
Camarillo	105,400	334	255,700	748
Santa Paula	93,600	279	203,600	552
Ventura County	93,300	317	245,300	695

Sources: 1980 and 1990 U.S. Census of Population & Housing, Summary Tape File 1
Summary Population and Housing Characteristics, CPH-1-6

The 6-month average sale price as of February 1990 showed prices of resale homes averaged \$194,200 for a 2-bedroom and \$256,400 for a 5-bedroom single family dwellings. The California Association of Realtors Survey in August 1989 showed the median sales of housing for Ventura County to be \$269,711; this level was the highest in the State (the State median - \$201,028). According to the most recent survey of new construction in the City, the cost of attached homes ranged from \$198,000 to \$240,000 while detached homes ranged from \$325,000 to \$478,000.

Table 5.16
Housing Characteristics: Housing Sales Prices
City of Simi Valley
1989

Resale Units (6-Month Average Sale Price as of February 1990)

Condominiums	\$147,500
Single Family Detached and Townhomes	
2-bedrooms	\$194,200
3-bedrooms	\$219,000
4-bedrooms	\$257,300
5-bedrooms	\$256,400

New Construction (4th Quarter Average Price Range, 1989)

Attached (condominiums, townhomes)	
2-bedrooms	\$198,840
3-bedrooms	239,945
Detached	
2-bedrooms	\$324,900
3-bedrooms	333,955
4-bedrooms	478,339

Sources: Simi Valley-Moorpark Association of Realtors
City of Simi Valley, Department of Environmental Services

Rents have escalated since 1980. A City conducted study of rental rates during November 1989 showed Simi Valley rents for apartments ranging from \$575 to \$1,100 per month.

Table 5.17

Housing Characteristics: Rents, Single Family and Apartment Units
City of Simi Valley
1989

Single Family

UNIT TYPE	ATTACHED/DETACHED	APARTMENTS
1 Bedroom/1 Bath	N/A	\$575-820
2 Bedroom/1 Bath	\$ 750-875	\$675-865
2 Bedroom/2 Baths	\$ 750-1,000	\$675-865
3 Bedroom/2 Baths	\$ 850-1,300	\$850-1,100
4 Bedroom/2 Baths	\$1,000-2,000	N/A

Source: City of Simi Valley, November, 1989

Note: Survey was based on small sample and sample sizes were not available for each unit type; therefore, average or median prices could not be calculated. Range variations are partly due to age of dwelling, unit size, amenities and location.

Using the standard that a household should spend no more than 30 percent of its income for housing and allowing \$75 per month for gas and electric, the two-bedroom, 2-bath units would be affordable to households making more than \$35,700 per year.

Vacancy

The good condition of the housing stock in the City is a result of a composite of the factors discussed in the previous pages: recent construction, little overcrowding, adequate facilities, and high owner ratios. The balance between supply and demand in the City's housing market is another indicator of the condition of the housing stock. One of the characteristics that is most often used to measure this balance is vacancy rates. High vacancy rates usually indicate low demand and/or high supply conditions in the housing market. Conversely, low vacancy rates usually indicate high demand and/or low supply conditions in the housing market. However, vacancy rates are not the sole indicator of market conditions. They must be viewed in the context of all the characteristics of the local and regional market.

Several measurements of vacancy rates are available. The City's rates were identified by the Census, Department of Finance (DOF) and the Federal Home Loan Bank Board. The vacancy rates estimated by the U.S. Census Bureau and the California Department of Finance are census driven. The Federal Home Loan Bank Board (FHLBB) until 1989 sponsored annual vacancy surveys of the cities in the county. These surveys relied on reports of postal carriers. This data is not comparable to the census driven data because the surveys use different methodologies. In the most recent FHLBB survey in 1989, the City's vacancy rate was 2.7 percent; for single family this rate was 1.4 percent and 2.0 percent for multiple

family units in the City in 1985. The DOF estimate for this time was 3.0%. During comparable periods, DOF based estimates of vacancy rates were slightly more than the Bank Board figures. In 1990, the City surveyed 3203 apartment units and identified a vacancy rate of 3.3% for all units. The 1990 Census showed an overall vacancy rate of 3.4% with the vacancy rate for single family detached units at only 2.2%.

Vacancy rates which indicate "market balance" (a condition where rates indicate an acceptable level of vacancy: remodeling, seasonal variations and turnovers) are generally accepted to be from 1.0 to 3.0 percent for single family and from 3.0 to 5.0 percent for multi-family. The City's vacancy rates are low for both types of housing. The vacancy rates in the City do have housing market implications:

- o The value and rent of all housing may increase during the time of the Housing Element in response to the "tight" market conditions.
- o The supply of available units is scarce. The multi-family housing vacancy rate indicates that the available stock of affordable housing (owner and renter) is very limited.

Condition

Due to the low rate of overcrowding, the decrease of recently constructed housing, and the extent of units in full code compliance, few units need rehabilitation. The City's 1988 Housing Assistance Plan estimated that 480 units are substandard. Of these, 369 units were identified as suitable for rehabilitation.

Table 5.18

Housing Characteristics: Substandard Units Simi Valley 1988

	OWNER	RENTER
Standard	25,438	5,516
Substandard	394	86
Suitable for rehab	312	57

Source: 1988 Housing Assistance Plan

A portion of three 1980 Census Enumeration Districts (C.E.D.) has been found to have a potential for rehabilitation. A windshield survey was conducted in the three areas and the result is as follows:

C.E.D. 82 and 84.01 is that portion of land between Cochran and Alamo Streets and between Tapo Canyon Road and Stearns Street. This area contains approximately 315 acres; public facilities are limited and approximately 30 percent of the dwelling units could be considered to have the potential for rehabilitation.

C.E.D. 78 is the portion of land between Los Angeles Avenue and the Arroyo Simi and Erringer Road and First Street and contains approximately 44 acres. Thirty-eight percent of the dwelling units could be considered to have the potential for rehabilitation.

C.E.D. 77 is that portion of land between Los Angeles Avenue and Royal Avenue and First Street and Sinaloa Road and containing approximately 83.6 acres. Twenty-one percent of the dwelling units could be considered to have the potential for rehabilitation.

Affordability

The market analysis for demand and supply components overlap when measuring the portion of a household's income that is spent for housing. This measurement is often expressed in terms of overpayers, households paying an excessive amount of income for housing. This indicator is an important measurement of local housing market conditions because it not only reflects the affordability of housing in the community, but it is also the standard that federal and state agencies use to determine the extent and level of housing assistance that should be allocated to the household and the community.

The standard measurement of housing costs used by many agencies is the extent that households with a very low and low income spend more than 30 percent of their income for housing.

Of the City's total households, 2,449 paid more than 30% of their income for housing costs in 1980 and 3,248 in 1988. All of these households have incomes less than 80% of the median income for Ventura County. The 1990 Census showed a total of 4,895 low and very low income households paying more than 30% of their income for housing costs. It also showed that over 50% of all renters paid more than 30% of their income for housing. Table 5.19 illustrates a breakdown of lower income households in Simi Valley paying over 30% of their income for housing.

Table 5.19

Housing Characteristics:
Very Low and Low Income Overpayers
City of Simi Valley
1980 - 1990

	TOTAL		OWNERS		RENTERS	
	VERY LOW	LOW	VERY LOW	LOW	VERY LOW	LOW
1980	1,284	1,166	717	681	567	485
1988	1,702	1,546	950	903	752	643
1990	2,112	2,783	695	1,302	1,417	1,481

Sources: 1980 U.S. Census of Population and Housing
1988 RHNA
1990 U.S. Census of Population and Housing, Summary Tape
File 3

Recent information has been compiled by the California Association of Realtors that provides another indicator of affordability. Their survey in summer of 1989 indicated that only 9 percent of the families in Ventura County could afford to purchase the median priced single family home (vs. 17% of the State).

5.2.4 REGIONAL NEEDS

According to the State law, local governments' housing needs assessments must include their share of the projected needs for housing in the region. The Southern California Association of Governments (SCAG) has identified Simi Valley's share of regional housing needs. The figures are contained in SCAG's Regional Housing Needs Assessment (RHNA) which were adopted in 1988 (as amended).

These figures identify the projected housing needs from July 1, 1989 to July 1, 1994. The total units needed were 4,781 of which 612 units are needed for very low income households, 693 units for low income households, 1,069 units for moderate income households, and 2,407 units for upper income households. The total needs (4,781 units) consist of household growth (4,133 units), vacancy (610 units) and demolition (38 units). The gap between the date of the beginning of the element July 1, 1989 and the Jan. 1, 1988 estimates that SCAG used resulted in a need for 1,283 units from January 1, 1988 to July 1, 1989.

Table 5.20

Regional Housing Needs Assessment
City of Simi Valley
1989 to 1994

UNITS BY INCOME				
VERY LOW	LOW	MODERATE	UPPER	TOTAL
612	693	1,069	2,407	4,781
(12.8%)	(14.5%)	(22.4%)	(50.3%)	(100.0%)
January 1988 - June 1989 "Gap" Period				
164	186	287	646	1,283

Source: SCAG, Regional Housing Needs Assessment for Southern California

5.2.5 SPECIAL NEEDS

Special housing needs include those households who warrant additional discussion because they have unique requirements or conditions related to housing. These special households are identified in the State law: "Such as those of the handicapped, elderly, large households, families with female heads of households, and families and persons in need of emergency shelter" (Government Code Sec. 65583). In addition to this list, the Special Needs Section discusses farmworkers. This section is not intended to analyze these groups in any detail but to identify the impact upon the competition for affordable housing. These households are more likely to be lower income than all other households. The previous

analysis identified the tight housing market conditions for all housing, especially for lower income housing units.

Handicapped

The information on handicapped housing needs is difficult to obtain. The census information is limited to data on work and transportation disabilities. Moreover, the definition of handicapped/disabled varies from one service agency to another.

The 1980 Census identified 1,643 disabled persons who are not in the labor force and 512 persons who are disabled and over the age of 65 who reported a handicap in using public transportation. According to estimates received from the U.S. Department of Housing and Urban Development, the following figures represent the handicapped population in need of housing assistance according to household type: elderly (1); one-person household non-elderly (1); small family (146); large family (36).

The 1990 Census counted 7,083 persons with a mobility self-care limitation. Of these, 1,827 were over the age of 65.

A majority of the City's handicapped residents fall below 50 percent of median income. As recipients of Supplemental Social Security Income, many are on a fixed income, which places them at a disadvantage when faced with inflation and rising housing costs.

Unless a proposed housing development is of new construction, the options and choices available to disabled persons are limited. There is an insufficient number of structures, which have been purposely designed for accessibility to the handicapped, currently available in the City. Uniform Building Code Section 1213 states that new rental housing construction of 20 to 100 units in size must include one level entryway and one accessible bathroom facility for the disabled.

Elderly

Senior headed households (householder 65 years of age or more) constituted only 8.5 percent of the households in 1990. This percentage is expected to grow as the City's population ages, resulting in an increased need for specialized housing for the elderly. Only 5.8 percent of these elderly households had incomes below the poverty level - slightly more than the Citywide total of 3.0 percent. Information derived from a survey of existing senior housing developments and the Section 8 program indicates that in 1988 there were approximately 185 seniors in need of rental assistance.

According to DOF Population Projections (Report 86-P-3), the median age in Ventura County will increase from 28.6 years in 1980 and 30.1 years in 1985 to 31.7 years in 1990 and 35.4 years in 2000. Accordingly, the population greater than 64 years will increase from 44,041 in 1980 (8.3% of the total population) to 88,250 in 2000 (11.2% of the total population).

Many elderly households need smaller "efficiency" units to make independent living possible. Elderly persons, often on limited incomes, may also have difficulty finding affordable housing. Where elderly

persons can live with other family members or can afford and maintain their own home, their housing needs may be met. Many single elderly persons may have need of some form of housing assistance.

Table 5.21

Special Needs: Percent of Elderly Households
Ventura County
1980-2010

YEAR	TOTAL ELDERLY POPULATION	PERCENTAGE OF TOTAL POPULATION
1980	44,041	8.3
1985	53,324	8.9
1990	65,531	9.9
1995	77,218	10.6
2000	88,230	11.2
2020	165,244	16.7

Source: California Department of Finance Population Estimates

Large Households

The large household size is characteristic of the predominantly single family detached housing stock within the City. Despite an expected decrease in family size over the next decade, the housing needs of large families will continue to be a pressing issue in view of rising housing prices and the expected shortage of large affordable housing units. In 1990, large families (5 or more persons) constituted 16.3 percent of all families in the City. The City's 1988-91 Housing Assistance Plan indicates there are 175 very low income and 183 lower income large families which are in need of rental assistance.

Large households generate a special housing need for housing with more than 3 bedrooms. This housing is more expensive and, due to the higher expenses associated with larger households, less affordable for those households in need.

Single Parent Households

According to the 1990 census, 2,479 families, 9.6 percent of all families in the City, were single parent households with children under 18. Most of these families, 1,800 or 7.0 percent of all families, are headed by women. Female-headed households with children under 18 are disproportionately represented among the poor. In 1990, 11.0 percent of all single parent families with children under 18 in Simi Valley had incomes below the poverty level; however, 13.9 percent of the female-headed families with children under 18 were poor, and they constituted 53.2 percent of all families with children under 18 below the poverty level.

The housing needs of single parent households have increased in recent years. The single employed parent typically desires minimal maintenance housing which is near employment, schools, shopping, day care, and recreational areas. The housing needs of this group generate special concern because the single parent household tends to have a lower income and a higher need for social services.

Homeless

The needs of the homeless have received substantial attention in the past few years. The exact number of homeless is difficult to estimate because they are highly mobile, do not have residences, and are often reluctant to volunteer information.

Existing service agencies indicate that a growing need exists for limited-term shelter facilities for individuals and families with no available shelter due to the following constraints: limited fixed income, unemployment, recent eviction, mental problems, family violence or difficulty adapting to a new culture. The target group consists of men, women and children of all ages.

Some of these people will need emergency shelter (i.e. housing for anywhere from one night to two weeks). Others will need transitional housing (i.e., they will need to be housed for a period of two weeks to several months). The statistics compiled by local organizations providing assistance to the homeless indicate an estimated annual population of 250 persons in need of shelter in Simi Valley. The following table was derived from the statistics gathered by the Simi Valley Interfaith Coalition for the Homeless and provides an indication of the demographic characteristics of this population.

Table 5.22

Special Needs: Homeless People
City of Simi Valley
1988

Age	<u>0-5</u>	<u>6-17</u>	<u>18-30</u>	<u>31-60</u>	<u>60+</u>
	9%	6%	48%	36%	1%

ETHNICITY		EDUCATION	
Caucasian	78.5%	Non-Graduates	20%
Black	5.0%	High School Graduates	39%
Hispanic	11.4%	College Studies	14%
Amer. Ind.	5.2%		

The Public Action to Deliver Shelter (PADS) Program can provide overnight shelter, meals and showers for 23 individuals during five months, November through March. The Program accommodated an average of 15 persons per night, or a total of 122 throughout the 1989-90 season, and its availability has become well known in the City. In addition,

existing need is also addressed through the issuance of motel vouchers, meals and other assistance offered by two local organizations, the Salvation Army and Care and Share, as well as through other shelters in the Oxnard area. Nevertheless, a permanent, short-term emergency shelter adequate to meet the needs of homeless persons in Simi Valley should be realized.

Interviews with these providers also indicated the type of need for single males (163), single females (33), and families (54). The existing facilities and services are responsive to this relatively small need. However, the City has included 2 programs to insure the needs will continue to be met: (1) Emergency Shelter/Transitional Housing (see Program 4) and (2) Public Action to Deliver Shelter (see Program 19).

Farmworkers

The housing needs of the farmworkers are also difficult to quantify. The 1980 Census provided indirect measurements of the extent of farmworkers. The illegal immigrant and migrant worker form a substantial part of the population. The ability to gather information about the farmworker is limited because they are so mobile and reluctant to participate in any survey. The 1980 Census provided a few indicators of the potential farmworker population.

Farmworkers are defined as those households whose wage earners make their living through seasonal agricultural work and who move with the seasons to different farming areas or communities. Permanent residents who work in agriculture doing similar work, but who live in Simi Valley the entire year, are included in the City's estimates of households needing assistance due to affordability. SCAG estimated that approximately 147 seasonal agricultural workers were in need of housing assistance with 90 in the "very low" income category and 16 in the "low" income category. By comparison, of the County's total farmworker needs, 90 percent were estimated to be very low (55%) and low (35%) income.

Simi Valley has a very limited agricultural industry, and it is not located near the farms of the coastal plains. It is more likely that many of the farmworkers are gardeners or people working for nurseries in the City who are not eligible for special State farmworker housing programs.

While these indicators do not directly measure farmworker population (nor the housing needs of farmworkers), they do suggest that the farmworker is not a significant portion of the City's population nor a generator of a special housing need.

Minorities

According to the 1990 Census, minorities represented approximately 11.7 percent of the population and their percentages among the poor were roughly equivalent to their population proportions. Estimates provided by the U.S. Department of Housing and Urban Development indicate that approximately 111 minority households will require housing assistance within the next three years. These include 84 small families, 26 large families and 1 elderly household. However, the City's survey discloses a larger elderly population with housing needs than estimated by HUD and

it is likely that senior minority households constitute a greater percentage of the population.

5.2.6 SUMMARY OF HOUSING NEEDS

The previous sections discussed the components of housing need - the growth expected in Simi Valley, the number of substandard units, the type and cost of units in the City in comparison to the needs and incomes of its households, and the presence of households with special needs. This section summarizes the major categories in terms of the income groups defined by federal and State law and discusses in detail the households with special housing needs. The section includes the City's share of regional housing need as contained in the Regional Housing Needs Assessment (RHNA) prepared by SCAG pursuant to Section 65584 of the Government Code. The City recognizes the special status of very low and lower income households who in many cases are also elderly, minority or single-parent households. The programs described later focus on these households.

Future Needs

The Regional Housing Needs Assessment developed by SCAG, addresses regional housing needs. The model attempts to equitably distribute the responsibility for providing housing among all jurisdictions with the same market area. The SCAG model follows adopted regional goals and policies as well as State and federal policies and guidelines. The objective is to enhance employment and housing opportunities for all people and to prevent imbalances among communities. The regional allocation for all housing categories within the City will be 4,781 housing units for the period 1989-94. An estimated 1,283 housing units are considered part of the housing need for the period January 1988 through June 1989 which is the "gap" between the 1983-88 RHAM and the 1989-94 RHNA.

Table 5.20 presents the City's housing unit need according to the 1989-94 RHNA and Table 5.23 shows the existing households in need in accordance with estimates from the RHNA and the 1988-91 Housing Assistance Plan. Table 5.23 also shows the projected need for the five-year period covered by this Housing Element based on the City's growth projections and the income proportions in the 1989-94 RHNA.

As is indicated by the five-year growth projections shown in Table 5.23, the City's efforts in meeting its share of the regional housing need established in the RHNA must take into consideration the population limits in the 208 Water Quality Management Plan and the Air Quality Management Plan (AQMP). Both of these regional plans have been adopted by the City in order to comply with federal water and air quality guidelines. Inability to meet federal guidelines could result in severe penalties which could include the possible loss of federal funds and curtailment of the City's ability to approve any future developments.

Table 5.23

Housing Needs
City of Simi Valley
1989 - 1994

NEED		HOUSEHOLDS	VERY LOW 50%-	LOW 50-80%	MODERATE 80-120%	UPPER 120%+
1	EXISTING NEED					
	A. Overpaying					
	Owner	8,222	695	1,302	2,311	3,914
	Renter	3,878	1,417	1,481	752	228
	B. Substandard					
	Owner	394	N/A	N/A	N/A	N/A
	Renter	86	N/A	N/A	N/A	N/A
	C. Special Needs					
	Elderly	2,717	158	N/A	N/A	N/A
	Handicapped	2,270	N/A	N/A	N/A	N/A
	Lrg. Families	5,380	N/A	N/A	N/A	N/A
	Overcrowded	1,503	N/A	N/A	N/A	N/A
	Minority Race	2,715	89	N/A	N/A	N/A
	Hispanic Origin	2,723	86	N/A	N/A	N/A
	Female Head w/children under 18	1,800	250	N/A	N/A	N/A
2	PROJECTED NEED					
	RHNA 1989-1994	4,781	612	693	1,069	2,407

Sources: 1990 U.S. Census of Population and Housing
SCAG 1989 Regional Housing Needs Assessment
1991 Comprehensive Housing Affordability Strategy (CHAS)

The Existing Need figures were derived as follows:

- A. The number of owner and renter households paying over 30% of their income for shelter was obtained from the 1990 U.S. Census Summary Tape File 3. The categories listed in the Census report, show household incomes of \$19,999 and below, \$20,000 to \$34,999, \$35,000 to \$49,999 and \$50,000 and above. These categories are roughly equivalent to the Very Low, Low, Moderate, and Upper Income

categories used in the Regional Housing Needs Assessment (RHNA) and elsewhere in this document.

- B. The number of occupied renter/owner substandard units was identified from the City's 1988-1991 Housing Assistance Plan.
- C. The estimated population of special needs groups was attained from the 1990 U.S. Census Summary Tape File 3. The Census uses a nationwide threshold for poverty which does not take into account the high housing cost in this region and is just over half of the City's Very Low Income threshold. These units shown as below the poverty level are listed in the Very Low column.

The Projected Housing Need for the period 1989-94 was drawn from the Regional Housing Assessment shown in Table 5.20 on page 5.31. For a detailed breakdown of the total Projected Need see the section entitled "Maximum Feasible Units, New Construction", page 5.63.

5.2.7 CONSTRAINTS

This section of the Housing Element includes a discussion of the constraints upon the maintenance, improvement or development of housing for all income levels. The constraints are discussed in two contexts:

- A. Governmental: Including land use controls, development processing fees and other exactions required of developers, and growth control measures.
- B. Nongovernmental: Including the availability of financing, price of land, and the cost of construction.

GOVERNMENTAL CONSTRAINTS

Local government can constrain the production of adequate, affordable housing by (1) imposing land use controls that limit the amount of land zoned for residential development, (2) unduly delaying the processing of development applications, or (3) charging fees which increase the final cost to the consumer beyond the affordable range. The governmental constraints analyzed below have been compared with those of surrounding communities and have been found to be no more stringent than the rest of the County. For example, the majority of the incorporated communities in the County have adopted growth management measures in order to comply with the federal air quality guidelines incorporated into the AQMP.

Land Use Controls

Vacant, residentially zoned land is available throughout the City. Table 5.26 presents the amount of vacant land by land use classification and the potential number of dwelling units that could be generated. It is estimated that an additional 25,070 units could be constructed in the City's planning area.

The City also encourages the development of affordable housing units through an active density bonus program. Over 1,350 affordable housing

units have been approved through the density bonus program. Some of these units will also feature City sponsored low-interest mortgage programs.

Water, wastewater treatment or flood control facilities can affect eventual residential development. If sufficient services are not available, development may be prohibited until the situation is corrected, usually by the developer building the necessary facilities. If the service facility is not of sufficient size or capacity, the development may be totally prohibited if no mitigation measures can be found.

Site Improvements and Building Codes

Site improvements typically occur in conjunction with the development of residential parcels. Through the completion of a zone clearance application, various municipal departments (public works, engineering, police), county agencies (flood control, fire), special districts (parks and recreation), and utility companies (water, sewer, gas, electric) review the residential development and exact fees, if applicable, to ensure that adequate service can be provided to the parcel.

Enforcement of building codes typically occur at various stages of dwelling unit construction by the Building and Safety Division of the Public Works Department. Before utility service is made available to the residential unit, a final inspection ensures that the dwelling unit meets all applicable building codes.

Potential building code violations that occur after completion of a residential unit are usually reviewed on a complaint basis by the Building and Safety Division.

Development Process

The City has taken great strides to facilitate and expedite the development review process. Each applicant is encouraged to participate in a "pre-application" review through the Department of Environmental Services. The pre-application review is completed within 20-25 working days. Following formal submittal of an application, all data and exhibits are distributed to those agencies and departments which will be reviewing the development proposal. Consistent with AB 884, within 30 days the City must determine if the data and exhibits are complete, and notify the applicant accordingly. An initial study is conducted to identify potential adverse environmental impacts that may be associated with the project and to determine an appropriate environmental document. The draft environmental document is posted for public review and comment, as required by State law.

Following the review of the project by the agencies involved in the process, a Development Advisory meeting is held to discuss the proposal informally with the applicant. Staff members from each reviewing agency are present and conditions of approval that will be attached to the project are discussed. At this meeting, the applicant is able to meet and ask questions of each person who has reviewed the project; issues should be resolved at this time.

Public notice is made and a public hearing is held by the Planning Commission. If the project involves a zone change, the zone change is heard by the Planning Commission, which makes a recommendation to the City Council. Any person has the right to appeal any decision of the Planning Commission to the City Council.

Development Fees and Dedications

Fees for utility connection, water service, planning review, engineering plan check, and a bedroom tax are levied during the development process. The fees charged by the City or Special Districts reflect actual processing or service costs. Planning Division fees are held in a trust account for the project applicant. Staff cost, based upon an hourly rate established to cover 80% of all expenses, is charged against the trust account for time spent in project review.

Dedication of land for parks, schools, open space, cultural resource preservation, scenic parkways, and visual amenities may reduce the amount of developable land and increase unit cost. This cost is ultimately passed on by the developer to the homebuyer, as market forces permit.

The cost of development on the periphery of the City may be affected by the need to construct infrastructure (sewer and water lines, storm drains and streets). Development of hillside areas is limited for a number of reasons including protection of them as natural and aesthetic resources and to reduce the danger of landslides and wildfires. (These issues are discussed further in the Conservation/Open Space, Community Services, Circulation, and Safety Elements of the General Plan.)

State-imposed building code requirements also increase the cost of housing. Recent changes to the code designed to improve earthquake safety, noise attenuation, energy efficiency, and handicapped access increase the front-end cost of a unit in order to avoid long-term costs of damage from earthquakes, cut energy costs, and make the unit more livable. The handicapped accessibility requirements are designed to promote equal access to housing for all residents.

Since housing in Simi Valley is by-and-large affordable to moderate income households, none of these fees or requirements represents a major stumbling block in addressing the City's regional fair share goals.

The Government Code provides that cities and counties with adopted recreation elements may collect fees for park and recreation uses. Fees are collected by the Rancho Simi Recreation and Parks District based upon the requirement of a developer to provide 5 acres of land, or an in-lieu fee, for every 1,000 persons generated by a development.

This standard is the highest permissible under State legislation (the Quimby Act), and it is typical of the standards set by other jurisdictions in the region. While Simi Valley's Park Development Fees may increase the cost of housing in the short term, this cost is repaid to the residents in the long run through their access to the parks and recreation programs.

The City may defer fees to encourage affordable housing. Planning fees, in-house plan check fees and engineering fees can be deferred on a specific project to reduce the initial unit sales price. If necessary the City has considered deferring the park and recreation fees to further

guarantee affordability. Fee deferrals, however, have been limited to those projects which are targeted at the harder to reach households earning 80 percent or less of median income.

Growth Management Plans

Regional: 208 Water Quality Plan and Air Quality Management Plan

Regional growth management plans, which set limits on population growth, have been adopted by the Board of Supervisors as well as most of the incorporated cities in Ventura County. Both the 208 Water Quality Plan and Air Quality Management Plan (AQMP) allocate population, dwelling units, and industrial and commercial acreage within the Simi Valley planning area. If future housing demand surpasses the limits established by the countywide growth management policies, the cost of housing in Simi Valley will be affected, because limited supply in conjunction with increasing demand creates a marketplace susceptible to high unit prices.

The issues surrounding available water supplies and future demands have become important as Southern California confronts periods of drought, potential cutbacks in California's share of Colorado river water, and reductions in the yield from the State Water Project. In response to these conditions, the Metropolitan Water District (MWD) has urged counties, cities and other local entities to adopt water conservation measures.

The City of Simi Valley has a well-established history of water management through voluntary conservation measures. In 1985, the Waterworks District No. 8 (one of two water purveyors in the City, the other being Southern California Water Company) adopted the Countywide Water Conservation Management Plan to encourage efficient water utilization through voluntary participation. The Plan covers four major categories: education and public relations, water system maintenance, regulation/policies and research. A number of conservation measure included in the Plan have been implemented in the City, including the periodic distribution of public information through newspaper ads and water conservation posters; meter calibration and maintenance programs; rate structure modification; metering of water during construction; providing previous water usage information on bills; and replacement of large and aging meters. The results of these actions have been positive as reflected in the low average per capita use of water and the steady decline of unbilled water use.

On October 15, 1990, the District's Board (which also acts as the City Council), issued a resolution supporting the Countywide Water management Issue Paper, which was developed by the Association of Water Agencies in Ventura County. In that document potential short and long-term approaches to improve water management are identified. Some approaches include construction of permanent delivery facilities to provide a bank of additional water supply, full development and utilization of reclamation projects, adoption of drought contingency plans, and updating the Regional Water Management Plan. By joining other water agencies in the County in addressing the issues of water management, the City can deal most efficiently with the large, long-term projects necessary to address the problem.

During consideration of a proposed contingency mandatory water conservation ordinance, the District conducted a number of workshops to identify issues and promote public participation and discussion. The proposed ordinance, which is still under consideration, would impose mandatory water reduction measures in a three-phased plan to be implemented upon a determination of an existing emergency condition. Adoption and implementation of the ordinance is contingent upon the cooperation of both water purveyors within the City. Negotiations are continuing between the two agencies to iron-out existing barriers.

Furthermore, in response to recent amendments in State law, the City's purveyors will be required to prepare individual Water Management Plans for completion in early 1991. Although the plans are still under review, they are expected to address some of the issues mentioned above.

The City does not anticipate that any future water restrictions will affect its ability to accommodate its share of the regional housing need. It is believed that the controlled development resultant from the Plan has served to significantly mitigate water shortages and reduce overall demand. Mitigation of continuing drought conditions and possible water cutbacks will be addressed through the ongoing voluntary water conservation and, if necessary, possible mandatory measures, and the implementation of regional efforts in reclamation projects and banking of water supply.

City: Growth Management Plan

Simi Valley has adopted a growth management plan in order to ensure that growth does not exceed the population limits in the 208 Water Quality Plan and the Air Quality Management Plan. Both plans have been adopted by the City in response to federal water and air quality guidelines. The population growth limits in the regional plans are tied to the availability of infrastructure (sewer, water, streets, regional transportation improvements, etc.).

In the City of Simi Valley, rehabilitation, remodeling or replacement of existing units is exempt from growth management, as are projects which are subject to a previously approved Development Agreement covering the Wood Ranch Specific Plan area. The present allocation system gives highest priority to and sets aside 20 percent of the unit allocation in each quarter for 100 percent senior housing projects or affordable senior housing projects. Second priority and not less than 15 percent of the unit allocation is set aside for other projects in which 25 percent or more of the units are affordable.

As indicated above, the City does not anticipate that any future water restrictions will affect its ability to accommodate its share of the regional housing need beyond the population growth limits established under the Growth Management Plan. Ongoing drought conditions and possible water cutbacks will be mitigated through continuing voluntary water conservation and through mandatory measures, as well as through the implementation of regional efforts in reclamation projects and banking of water supply.

NON-GOVERNMENTAL CONSTRAINTS

Non-Governmental constraints to affordable housing consist of three major factors: land costs, construction costs, and financing. The City has a limited ability to influence these factors. Land costs are impacted by the number of adequate sites that are made available. The City has designated large amounts of land for residential uses. Regional demand and costs have a greater impact on land costs. Construction and financing costs are also determined at the regional, state, and national levels by a variety of private and public actions which are not controlled by the City.

Land Costs

Residential land prices contribute significantly to the cost of new housing. Raw land and improvements costs comprise approximately 28 percent of the total development costs of a residential dwelling. Land prices in Simi Valley have risen significantly in recent years. In 1970 improved land costs constituted 21 percent of housing costs but by 1988 the percentage had risen to 28.

Land costs may vary considerably from one area to another. Even within Simi Valley, sites with a view or near attractive natural features will cost more per square foot than those which do not have such features. Improved land will also include fees for park dedications, fire, flood control, and infrastructure requirements. It is estimated that these costs constitute 8 to 10 percent of the unit's price.

Construction costs also vary according to the type of development. Multi-family housing is generally less expensive to construct than single-family housing. However, a wide variation within each type depends on the size of the unit and the number and quality of the amenities offered: such obvious items as fireplaces, swimming pools and tennis courts, as well as the less obvious grade of materials, types of appliances and light fixtures and quality of cabinetry and other woodwork. Data published by the International Conference of Building Officials in April 1990, revealed that conventional single-family construction is generally running between \$70 and \$80 per square foot, and multi-family units between \$60 and \$65 per square foot.

Table 5.24 shows the average percentage contribution of each cost factor to the overall cost of constructing a single-family house in Southern California between 1970 and 1988. The factor which has grown most rapidly in recent years is the cost of financing.

Manufactured housing (including both mobile homes and modular housing) is significantly less expensive than conventional construction. However, even within this type of housing there is a wide range of prices depending on the size and finish of the units. In 1989, the average cost per square foot of a manufactured house ranged from \$35 to \$40.

The interrelationship of the cost components is very complex and shifts significantly from area to area and development to development. For example, where a developer has owned a piece of land for five or ten years (speculating that it would be valuable in the future) the cost of land per

unit would be less than if it had been recently purchased. Finally, the availability of skilled construction crews who will work for less than union wages can reduce costs. The number of factors which must be considered by the developer and can be adjusted to make a project pencil out means that it is difficult to describe an average or typical project. In the final analysis, the major controlling factors appear to be the requirements of the development review process and the ultimate marketability of the unit.

Table 5.24
Cost Components
Single Family House

	1970	1976	1988
Construction			
Labor	20.9%	18.6%	20.0%
Materials	35.1	30.4	23.0
Improved Land	21.0	25.0	28.0
Interim Financing	6.5	8.5	8.0
Overhead & Profit	12.0	12.5	14.0
Other	4.5	4.9	7.0
	100%	100%	100%

Sources: Construction Industry Research Board (years 1970-80)
City of Simi Valley, Department of Environmental
Services/Planning Division (1988)

Note: Category "Other" includes insurance, marketing, etc. Profit and overhead category is a residual estimate remaining after determination of the cost of other components.

The nongovernmental constraints associated with residential development costs can be quantified for a single-family dwelling constructed in 1988 according to the following estimates. These figures are based on a generalized survey of new projects in the City in 1988 and are shown in Table 5.25.

Table 5.25

Estimated Single Family House
Construction Costs: 1988

COMPONENT	3 BEDROOM PRICE \$236,500	4 BEDROOM PRICE \$362,500
Labor	\$47,300	\$ 72,500
Materials	\$54,395	\$ 83,375
Improved land	\$66,220	\$101,500
Interim Financing	\$18,920	\$ 29,000
Overhead & Profit	\$33,110	\$ 50,750
Other	\$16,555	\$ 23,375

Source: City of Simi Valley, Environmental Services Department

Financing Costs

The cost of borrowing money for the planning and construction of a development is a major component of the selling price of a home. In fact, financing is the largest component of housing costs when both construction and long-term financing are considered. Many buyers and renters are not fully aware of financing costs as a component of housing costs. More familiar to potential buyers are the financing costs associated with a home mortgage.

During the past few years home mortgage financing has received a considerable amount of attention due to the dramatic rise in interest rates. In 1978 residential mortgages were readily available at rates below 10 percent. By 1981 interest rates skyrocketed to 17 percent. By 1982 interest rates had declined to 14 percent. In 1988 they were below 12 percent. This pattern seems to indicate a decline in interest rates; no assurance exists that this decline will continue.

Interest rates become an important ingredient in determining the affordability of "for sale" housing. As interest rise, significant portions of households no longer qualify for housing.

5.2.8 SITE INVENTORY

Introduction

Vacant land for new housing is expected to be available throughout the City. While much of this land is expected to be available in the ranch areas, sizeable tracts of land are still available throughout the City. This availability provides sites with a full range of zoning densities. A significant number of large parcels are substantially under utilized.

Developable Land

Vacant land within the Simi Valley Area of Interest could yield 25,070 dwelling units as shown in Table 5.26. This estimate includes projects which had been approved for development but not built as of July, 1987.

Table 5.26
Residential Development Capacity of Vacant Land
City of Simi Valley

RESIDENTIAL CATEGORY (DENSITY RANGE-UNITS/ACRE)	ACRES	DENSITY AT TOP OF DEVELOPMENT RANGE	POTENTIAL UNITS
Open Space (0-1 u/40 ac)	31,062	0.025	763
Residential Estate (0-1)	419	1.0	419
Very Low (0-2)	584	2.0	593
Low (0-3.25)	652	2.6	1,561
Medium (3.26-5.0)	1,133	3.7	5,016
Moderate (5.1-10.0)	946	7.0	7,089
High (10.1-18.75)	190	15.0	2,886
Very High (18.76-50.0)	150	25.0	6,206
Mobile Home (5.1-12.0)	42	8.0	537
TOTAL	35,178		25,070

Source: Department of Environmental Services/Planning Division

Note: Due to the impact of certain development requirements, such as the Hillside Performance Standards, potential units for a land use category will often be less than estimated at the top of the development range.

The potential unit count is based on General Plan land use designations for land that was undeveloped as of January, 1987. The unit count can result in slightly higher numbers if development occurs at the top of the bonus range as a result of a density bonus award. Most development occurs at the top of the development range; however, reductions in the allowable density may occur as a result of the Hillside Performance Standards and may result in certain hillside areas being developed at the lower end of the density range.

Some future development will be on vacant valley floor land while other development will be in the outlying canyon areas and in designated Specific Plan areas. Ten specific plan areas targeted for residential development are located within the City Limits and five are adjacent to

the City boundaries. Four specific plan areas have the potential to generate 253 low and moderate income units, including 102 approved units, and a fifth specific plan is under review for land use determination. These Specific Plan areas are located in several portions of the valley and therefore have the ability to disperse affordable units throughout the community, consistent with goals and policies which favor avoiding concentrations of lower cost units in limited developments.

The density bonus mechanisms, in fact provide potential for any vacant site to generate low and moderate income units. All residentially designated vacant land within the General Plan area represents potential for the development of low to moderate income units; ownership or rental units; or factory built units. Policies are adopted which support the development of factory built housing as an alternative in meeting special needs. Sites have also been designated on the General Plan Map for the development of mobile homes which can accommodate an additional 537 mobile homes.

Most of the high and very high density residential categories are located on the valley floor where the infrastructure, public services and facilities are easily accessible. Many of these sites are also located close to traffic corridors and commercial centers. As a result, higher density projects which can also produce a greater number of affordable housing through density bonuses and other incentives, are likely to be developed on the valley floor. These are sites which are readily available for development of the City's share of the regional housing need. The high and very high density sites may be used to satisfy the rental housing needs for the very low and lower income groups in the City's five year action plan. High and moderate density residential categories can be used to develop attached and detached housing for lower, median and upper income groups.

Public facilities and services are not yet available to most of the undeveloped portions of the Specific Plan areas. As development of these areas occurs, however, extension of utility lines to provide access to existing public facilities would take place as a condition associated with the proposed project. Fees and improvement costs (sewer, water, streets, and parks for instances) would be expected to be passed along in the cost of the dwelling unit.

Table 5.27

Summary of Density Bonus Agreements
City of Simi Valley

	VERY LOW	65% OF MEDIAN	LOW	MEDIAN	MODERATE
Affordable Units					
Senior Citizens					
Rental	179	39	71	-	-
Owner	-	-	-	-	-
Large Family*					
Rental	13	-	31	11	12
Owner	-	-	75	10	34
Small Family					
Rental	147	-	269	148	99
Owner	-	-	158	56	45
TOTAL	339	39	604	225	190

Source: Department of Environmental Services Affordable Housing Program Annual Report for 1991.

* Large family units are defined as dwellings containing three or more bedrooms.

Sites for Homeless Facilities

The City has not specifically designated future sites for housing facilities for the homeless. Transitional housing is provided through the Satellite Home Program operated by the Zoe Foundation facilities in Oxnard. The City has amended the codes to permit the establishment of emergency shelters and transitional housing in residential areas subject to the approval of a special use permit.

5.2.9 ENERGY CONSERVATION

Fifty years ago, natural gas was cheap - it cost less than a dollar for a thousand cubic feet. In 1987, the same amount cost over \$3.50. As a result, the costs of heating and cooling a home have also increased, in many cases becoming the second highest cost of housing after rent or mortgage payments. In desert areas and for long-time owners who have low payments, utility bills can be their highest monthly housing cost. Homeowners and planners alike are interested in developing measures to reduce the amount of energy consumed.

In Southern California heating and cooling account for approximately 50 percent of residential energy use, water heating about 30 percent and lighting and appliances the remaining 20 percent. Because heating and

cooling represent such a large portion of energy use, improvements in the building structure designed to control heat loss and gain represent the greatest opportunity for reduction of total energy use.

Energy conservation measures range from siting buildings to maximize energy efficiency, to landscaping for summer shade and winter light, to structural features to reduce energy loss, to active solar systems. Amendments to the Uniform Building Code have resulted in new housing which is much more energy efficient. These requirements have raised the cost of construction (and, therefore buying a new home) however, these costs are matched by energy cost savings over a ten year period.

The major means to improve the energy efficiency of existing housing in the City are:

- attic insulation
- weatherization (caulking/weather stripping windows and doors)
- fireplace dampers
- water heater insulation
- faucet flow restrictors
- duct insulation
- regular furnace and water heater servicing
- floor insulation
- fluorescent lighting
- solar water heating

5.2.10 CONVERSION OF ASSISTED HOUSING UNITS

Section 65583 of the California Government Code requires that as of July 1, 1992, all cities shall perform an analysis of all existing assisted housing developments to identify those units that are eligible to change from low income uses during the next ten (10) years due to termination of subsidy, contracts, mortgage prepayment or expiration of restrictions on use. These projects are listed in Table 5.28 below, noting their location, total units in each project and number of assisted units, as well as the earliest date that the project is at risk of losing its affordable status.

Table 5.28

**Projects at Risk of Losing Affordability
1989-1999**

NAME	EXPIRATION DATES OF AFFORDABLE REQUIREMENTS	TOTAL UNITS	TOTAL AFFORDABLE HOUSING UNITS	VERY LOW	LOW	MEDIAN	MODERATE
Patricia Terrace Apts. 1851 Patricia St.	2/5/92	14	4	-	4	-	-
Royal Place SE Corner Royal & Brandon	Beginning 4/90	32	31 (one retained)	-	16	10	5
TOTAL 1989-1994			35	0	20	10	5
Americana Simi 5335 Cochran St.	7/24/96	128	44	7	18	19	-
Meadowood 1733 Cochran St.	5/5/97	320	104	14	50	30	10
Rancho Corrales 643 Country Club Dr.	8/18/97	229	54	-	-	33	21
Creekside 1504 Patricia St.	2/1/99	397	131	-	79	11	41
Milner Development Tierra Rejada W. of Madera	Beginning 11/97	231	40 (18 after 1999)	-	40 (18 after 1999)	-	-
TOTAL 1995-1999			373	21	187	93	72

Source: City of Simi Valley, Environmental Services Department

It will be noted that there are only two projects at risk of losing their affordable status within the five (5) year period covered by this Housing Element Update (1989-1994). The Patricia Terrace Apartments Affordable Housing Agreement expired on February 5, 1992. The owners of the Royal Place Condominiums were allowed an option of prepaying their original mortgages beginning in April 1990. The remaining four (4) at risk projects have agreements due to expire within the subsequent five (5) year period from 1994 through 1999. The total number of units at risk of losing their affordable status during the 1989-1994 period is thirty-five (35). These include 20 Low Income, 10 Median Income and 5 Moderate Income units. During the 1994-1999 period, 373 units will become at risk. These include 21 in the Very Low Income category, 187 in the Low, 93 in the Median and 72 in the Moderate category.

5.2.10.1 Analysis of Projects With Units at Risk

Patricia Terrace Apartments
1851 Patricia Avenue

This small fourteen (14) unit apartment project included four (4) affordable units. The Affordable Housing Agreement based on the density bonus provisions of State law granted four (4) bonus units which were made available to low income families. The Agreement had a term of five (5) years and expired February 5, 1992. At the time of expiration, due to increases in the rental adjustment index and the area median income, the permitted rent for the units covered by the agreement exceeded the market rent for these units.

Americana Simi
5355 Cochran Street

This 128 unit apartment project includes 44 affordable units. The Affordable Housing Agreement grants 44 bonus units with seven (7) for Very Low, 18 for Low, and 19 for Median Income families. The project also received bond financing with both the bonds and the Affordable Housing Agreement carrying a term of ten (10) years due to expire on July 24, 1996.

Meadowood
1733 Cochran Street

This 320 unit apartment project includes 104 affordable units. The Affordable Housing Agreement provides for 14 Very Low income, 50 Low income, 30 Median income and 10 Moderate income units. The project received a density bonus of 94 units as well as bond financing. Both the Agreement and the bonds carry a term of ten (10) years, due to expire May 5, 1997. This project was initially approved with a tentative tract and will not require further approvals should the owner wish to sell the individual units following expiration of the Agreement and refunding of the bonds.

Rancho Corrales
643 Country Club Drive

This 229 unit apartment project includes 54 affordable units. The density bonus was part of a larger number granted to the Wood Ranch Specific Plan with 23 units attributed to this project. The Affordable Housing Agreement provides for 33 median income and 21 moderate income units. The project also received bond financing with the Agreement terminating at one-half the term of the bonds on August 18, 1997.

Creekside
1504 Patricia Street

This 397 unit apartment project includes 131 affordable units. The Affordable Housing Agreement granted 131 bonus units with 79 for Low Income, 11 for Median income and 41 for Moderate income families. The project also received bond financing. Both the Agreement and the bonds expire on February 1, 1999.

Royal Place

S.E. Corner of Royal Avenue and Brandon Street

This 32 unit condominium project was financed through use of Community Development Block Grant funds. All 32 units were affordable with 17 for Low Income, 10 for Median income and 5 for Moderate income families. While the terms of the mortgages are 30 years, 31 of the owners have been allowed to buy out the City's equity in their unit. One of the units continues under the original mortgage and agreement. Twenty-four of the owners have exercised their option to buy out of their original agreements. The funds received have been returned to HUD and are reserved for future use by the City in developing new affordable housing units.

Milner Development

Tierra Rejada West of Madera

This 231 unit detached single family project, presently under construction, includes 58 affordable units. All of the 58 units will be available to Low Income families in return for the project being placed in the "Affordable Housing" queue in the City's Managed Growth Control system. While the units carry 30 year mortgages, they have a provision allowing prepayment of mortgages beginning five years after sale. The City's equity in these affordable units will average approximately \$80,000 per unit. The moneys derived from this buyout provision or retiring of the mortgages will be placed in the Affordable Housing Fund and would be available to help finance future affordable units.

5.2.10.2 Estimated Cost of Replacing Potentially "At Risk" Units

As noted in Table 5.28, there are a total of 35 "at risk" housing units which either will lose or have already lost their status as affordable during the period covered by this Housing Element, 1989-1994. There are an additional 373 units that have been identified as potentially at risk during the succeeding five-year period, 1994-1999. A very rough estimate of the cost of replacing these units with new multi-family units is between \$60,000 and \$90,000 per unit. This translates to a need of \$2.1 million to \$3.15 million in the period 1989-1994.

Using the same per unit factors, the 373 potentially at risk units in the 1994-1999 timeframe could cost from \$22.4 million to \$33.6 million to replace.

5.2.11 RESOURCES AVAILABLE TO ASSIST IN RETAINING OR REPLACING "AT RISK" UNITS

Agencies With Legal and Managerial Capacity to Acquire and Manage "At Risk" Housing Developments

The agencies listed below have demonstrated that they have the legal and managerial capacity to acquire and manage affordable housing projects and might be looked to for assistance in preserving or replacing assisted housing projects that become at risk of losing their affordable status:

Area Housing Authority of the County of Ventura
99 So. Glenn Drive
Camarillo, CA 93010

This agency is the local housing authority for the City of Simi Valley. They are responsible for allocating Section 8 housing assistance payments to very low income households within the community. In addition, the Authority manages six (6) public housing projects comprising 305 housing units within the County.

Cabrillo Economic Development Corporation
11011 Azahar Street
Saticoy, CA 93004

This private non-profit economic development corporation is involved with various activities focused toward low income, minority, and other disadvantaged people and their organizations in Ventura County. Among their purposes is to provide affordable housing with an emphasis on resident ownership and control. Since 1981 they have developed over 600 housing units in five (5) major developments. They are presently preparing an application to build an attached 22 unit three (3) bedroom ownership project in the City which will be controlled by an Affordable Housing Agreement.

Commission on Human Concerns
621 S. Richmond Ave.
Oxnard, CA 93030

This is a non-profit corporation which deals with a broad variety of housing issues. During 1990-1991 they submitted applications to the City to develop a 74 unit very low income senior housing project using a combination of City Redevelopment Agency set aside funds, federal and state tax credits and State Proposition 84 housing funds. They were unsuccessful in their request for state funds.

Many Mansions
80 E. Hillcrest, Suite 219
Thousand Oaks, CA 91360

Many Mansions is a non-profit corporation which was organized to assist in developing and managing affordable housing projects. They presently own one project, are part owners of a second and manage three affordable housing projects, all within the City of Thousand Oaks.

In addition, other non-profit organizations located outside of the local area have been invited to assist in producing affordable housing within the City. An example is the Senior Christian Housing Foundation, headquartered in Atlanta, Georgia. They have approval and funding to begin construction of a 75-unit Section 202 elderly housing apartment project on the south side of Heywood Street. This project which required voter approval under Article 34 of the Government Code, will provide housing for very low income seniors.

Funding Resources Which May be Used to Retain or Replace "At Risk" Units

The funding resources which may be used to replace or retain those units that may be lost as affordable housing due to expiration of the controls which were initially placed on their rental or sales structures are the same resources available to generate new units. These resources are described in Chapter 5.4, Implementation: Programs. Program 10: Affordable Housing Preservation, outlines actions of renegotiating existing Affordable Housing Agreements that particularly focuses on preserving the affordability of existing units. However, the full range of resources described in the various programs is available to replace units no longer within the reach of their targeted income groups. In addition, any funds which are generated by the early retiring of mortgages of affordable for-sale units is also accumulated and made available for new projects.

CHAPTER 5.3
GOALS, POLICIES AND EVALUATION

5.3.1 SUMMARY

This chapter consists of two sections: An evaluation of the progress and effectiveness of the previous Housing Element, and an identification of the goals, policies, and objectives for the Revised Housing Element. The evaluation responds to three criteria in accordance with the State requirements and as defined in a HCD Memo on local evaluations of Housing Elements Upon Update (12-6-85). The State uses the following criteria and definitions as the basis for assessing compliance with State Law.

- a. Effectiveness: A comparison of the actual results of the previous Housing Element with respect to its goals, policies and programs is conducted.
- b. Progress: An analysis of the significant differences between the projected activities of the previous element and the accomplishments to date is provided.
- c. Appropriateness: A description of how the goals, policies, and programs of the revised element incorporate the results of this evaluation is also presented. (From the State of California Housing and Community Development Memo "Local Evaluations of Housing Element Upon Update").

This section also identifies the maximum number of units that can feasibly be constructed, rehabilitated, and conserved. These figures are presented in the context of the local needs assessment, the regional needs statement, and the goals and programs of this element.

The second section of this chapter presents the goals and policies for the Revised Housing Element. Thus, the City's Housing Element moves from an identification of the needs and condition of housing to general statements of purpose (goals) to more specific identification of the direction and emphasis of the Housing Element (policies) to actual means by which these goals and policies can be implemented (Chapter 4-Programs).

The strategy concept identifies the goals and policies that will guide the community's housing programs and activities. This section sets direction and translates needs and constraints into specific actions for four subsets: construction, rehabilitation, conservation, and administration.

5.3.2 EVALUATION

An important component of revised housing elements is the evaluation of the previous Housing Element. It is important to determine if the needs have changed, if the goals and policies are still important, and if the programs have been effective. These questions are systematically considered as part of the revisions to the previous Housing Element. This analysis is summarized in the following paragraphs but, more importantly, is reflected throughout the Revised Housing Element.

Effectiveness

The goals and objectives in the previous Housing Element were appropriate to a community such as Simi Valley, which had a growing housing stock in relatively good condition, and a base of affordable housing. The goals focused on maintaining the positive housing opportunities. The City recommended an active and diverse housing program in the previous Element.

The community still has a good range of housing opportunities. Simi Valley is fortunate to have maintained a large portion of its affordable stock.

This assessment found the previous goals and policies to be substantially effective, and they formed the basis for the revised Housing Element.

The goals and policies of the Revised Housing Element were organized into concise goal and policy directives. As a result, the four goals were recommended for continuation. Secondly, the policies were systematically reviewed and revised. The policies were then organized into four sub-sets: construction, conservation, rehabilitation, and administration. Finally, the discussion of programs was made a separate chapter and also organized into the same sub-sets.

Progress

Each policy/action of the previous Housing Element was reviewed to determine the progress that was made as well as the appropriateness of continuing the program. This evaluation step also impacted the revisions that were made in Chapter 4 (Programs). A summary of the progress is presented in the following text.

The 1982-87 Action Plan represented in the Housing Element adopted in 1983 estimated a total of 940 units would be provided during that time period. Table 5.29 provides a breakdown of this figure according to housing type and recipient group. This five-year estimate included 308 existing rental units for very low and low income households subsidized through the HUD Section 8 program. In addition, 632 single and multi-family units were expected to be constructed by private sector developers participating in the City's bond program, specific plan affordable housing requirements, and density bonus program. A total of 150 units were estimated to be rehabilitated through the use of Community Development Block Grant funds.

Table 5.29

Maximum Number of Units Expected to be
Constructed within the Five Year Plan
City of Simi Valley
1982-1987

RECIPIENT GROUP	ELDERLY	SF	LF	TOTAL
*Existing				
Very Low, Low, Moderate	67	144	97	308
*Proposed				
Very Low	46	162	94	302
Low, Moderate	25	180	125	330
TOTAL	138	486	316	940

Total Units Expected To Be Rehabilitated
Within The Five Year Plan
1982-87
City of Simi Valley

RECIPIENT GROUP	ELDERLY	HANDICAPPED	SF	LF	TOTAL
Proposed					
Very Low, Low/Moderate	6	20	91	33	150

Key Code: SF = small family; LF - large family
*All numbers represent total only

SOURCE: 1983 Housing Element

The Ventura County Housing Authority reported that 338 families were receiving Section 8 existing subsidies as of August 1990. However, the majority of the units in the five-year Action Plan have been constructed through the aggressive use of the density bonus program and bond financing. Table 5.30 provides a summary of the projects approved under the density bonus program. Several projects have combined density bonuses with the use of bond financing and Community Development Block Grant funds to provide a greater level of affordability to lower income groups. Table 5.30 summarizes the sources used to achieve the five year goals established in 1982 and the income groups benefiting therefrom.

Table 5.30

Affordable Housing Production
City of Simi Valley
1982 - 1987

HOUSING TYPE AND TENURE	RECIPIENT GROUP	ELDERLY	SMALL FAMILY	LARGE FAMILY	PRINCIPAL FUNDING SOURCE
Ownership (attached)	Lower Median			32	CDBG Funds
Ownership (attached)	Lower Median		215	33	Density Bonus; bond financing
Rental	Very Low, Low, Median		245	45	Density Bonus; bond financing
Rental	Lower Median Moderate		182		Density Bonus; Specific Plan Requirement
Rental	Very Low Low, Median	90	53		Density Bonus
	Sub Total	90	695	110	
Rental	Very Low	68	100	60	Section 8
TOTAL:		158	795	170	=1,117

Source: Areawide Housing Authority
City of Simi Valley, Environmental Services Department

The City has exceeded by a wide margin its previous five-year plan in existing and new construction housing for low income, elderly and small family households. It is anticipated that the continuation of the density bonus program used in conjunction with other potentially available funding sources will provide the mechanisms necessary to meet the housing needs of large, lower income families. In this regard, the City will assist, wherever possible, funding applications for local, State and federal programs geared to providing the necessary subsidy to build units for this special group. In addition, a subsidy-program for owner occupied housing

also renders assistance for large, low income families who wish to purchase a home.

Appropriateness

The Housing Element was revised based on the above evaluation. The policies as listed in the following sections were revised to reflect program progress and effectiveness. These changes were used in Chapter 3 in Policies and Chapter 4 in Programs.

Growth Management

In incorporating into this Element the local regulations, such as the zoning ordinance, the land use and circulation elements, and the growth management plan, which may impact the number of housing units constructed, the City makes the following findings:

- A description of the City's share of the regional housing need is presented in Table 5.20 and is fully discussed elsewhere in this Element.
- The City is implementing and participating in various programs and activities for the preservation, improvement and development of housing for all income levels, with particular emphasis on the needs of very low, low and moderate income households. Those programs and activities are more fully described elsewhere in this Element and they include the following:
 - a. A minimum of 35% of available permits are prioritized and set aside within the Allocation System for low and very low income housing, as follows: 20% for senior and senior affordable housing; and 15% for non-senior affordable housing. In order to qualify under these "queues", the project must be regulated by a housing agreement designed to preserve the affordability and/or senior designation of the units for 30 years.
 - b. Density bonuses for very low and low income housing and senior units;
 - c. Housing rehabilitation through the use of outstanding Community Development Block Grant (CDBG) loans and the Community Development Agency (CDA) 20 percent set-aside redevelopment monies;
 - d. Requirements for low and moderate income housing on Specific Plan Areas of the valley floor;
 - e. Rental Housing Assistance Program; and
 - f. Utilization of Redevelopment Tax Increment monies to develop Low and Moderate Income housing.
- The Housing Element, to the extent that it incorporates and implements the growth management plan, does so in order to comply

with the Ventura County Air Quality Management Plan and the 208 Water Quality Management Plan, and attain the federal mandates to improve air quality; in addition, the growth management plan and other local regulations promote the public health, welfare and safety in that they provide the residents of the community with a good living environment including attractive, fully accessible and serviceable places to live and work. Specifically, the growth management plan will permit the orderly improvement of water supply, wastewater treatment, flood control, and air quality and will reduce the incremental increase in traffic demands on local streets and highways.

- The fiscal and environmental resources available to the City are fully described in the following General Plan Elements: Land Use, Conservation/Open Space, Safety, Housing, Circulation, Community Services, and Economic Development.

The State HCD suggests that such an evaluation include the consideration of six questions ("Statutory & Constitutional Requirements with Regard to Growth Control Measures" - November 7, 1986).

- 1) Is the measure based upon actual and clearly defined environmental or public facility constraints?

Yes, the growth management plan is based on County air and water quality limitations. The City of Simi Valley is in an area that has not reached compliance with federal mandates to improve air quality (a non-attainment area). Simi Valley regularly exceeds ozone standards more frequently than other jurisdictions in the County, and has the seventh worst air quality in the nation, based upon the National Primary Ambient Air Quality Standard for ozone.

The Plan equates allowable population increases as adopted in the 208 Water Quality Management Plan and the Air Quality Management Plan which have been adopted to comply with established Federal and State governments air quality standards.

- 2) Does the measure set the locality's new construction maximums above its new construction need, including the jurisdiction's share of the region's housing need?

Yes, the City's projected new construction maximums will exceed its share of the regional housing need. The adopted Growth Area Population Guidelines which are used in the Countywide Planning Program, AQMP, 208 Water Quality Management Plan and Regional Transportation Plan for the Growth Area are established as the population forecast used in the growth management plan. The target population for 1991 is 105,106, and the maximum permissible population for 1996 is 114,354. The City Council has the right to further limit population growth for the purpose of promoting public health, safety, or welfare; traffic control; compliance with County, State, or federal regulations; or other compelling reasons.

The currently adopted Regional Housing Needs Allocation (RHNA) developed by the Southern California Association of Governments

(SCAG) identifies a regional share for 4,781 units for July 1, 1989, to July 1, 1994. If the growth permitted under the growth management plan were projected, the City would have 4,903 units. Any deficit which could occur would be off set by the declining person/household ratio which would accommodate more units, as well as growth capacity increases due to potential annexations in the next 5 years and by the certified population figures in the 1990 Census. The Housing Element will be periodically reviewed in order to assess the progress achieved under the established goals and the effectiveness of the policies in attaining these goals. As needed, and consistent with Measure A and the General Plan, the implementing ordinance of the growth management plan as well as the goals and policies of this Housing Element may be revised to focus on identified specific housing needs.

- 3) Is the locality taking all reasonable and available steps to relieve the constraints that made growth limitation necessary?

The constraints are county wide; both the City and the County (including the majority of the cities in the County) have enacted measures to achieve air and water quality standards which made growth management plans necessary. The City has adopted an Air Quality Element in the General Plan to specifically address additional ways of achieving AQMP goals.

The Plan's implementation ordinance gives significant incentives to projects which utilize existing infrastructure and which do not impact nor require the expansion of on-site or off-site facilities. The services targeted are traffic facilities, public transportation, storm water drainage and water distribution lines, off-site water treatment and storage, and sewage collection, treatment and disposal. The ordinance also provides incentives for the provision of affordable housing in order to balance the City's housing needs.

- 4) Does the measure provide adequate incentives to encourage the development of housing affordable to low and moderate income households, consistent with the locality's share of the region's housing needs for all income levels?

Yes, the plan provides special queues for affordable housing and has successfully supported construction of affordable units while the growth management plan is in effect. The implementing ordinance gives highest priority to and sets aside a minimum of 20 percent of the unit allocation in each quarter for 100 percent senior housing projects or affordable senior housing projects. Second priority, and at least 15 percent of the unit allocation, is set aside for other projects in which 25 percent or more of the units are affordable.

In addition, the Plan's implementation ordinance provides incentives for the creation of affordable units in any project.

- 5) Does the measure also equitably limit industrial and commercial development that may increase the need for housing?

No. However, all development permits are tied to the availability of infrastructure and that availability affects not only dwelling units but also commercial and industrial development. In addition, the unrestricted development of industrial and commercial uses acts as an incentive toward attaining a jobs/housing balance in this community which is lacking employment opportunities. Such a policy effectively assists in removing the environmental constraints on which the growth management plan is based.

- 6) Is the growth limitation measure conditioned to expire upon removal of the justifying constraint?

Yes, the control is in effect until 1996 based on air and water quality plans and will be subject to public hearings, amendments as appropriate, and resubmittal to the voters at that time. Future growth management shall be based on the need established under the plan and the population limits adopted in the 208 Water Quality Management Plan and the Air Quality Management Plan.

Maximum Feasible Units

Based upon the needs assessment, the regional housing needs, the evaluation of the previous Housing Element, current and projected planning and development and the population constraints imposed by the Ventura County Air Quality Management Plan, the following numbers are estimates of the maximum feasible units that could be achieved during the 1989-1994 timeframe.

Construction:	4,903
Rehabilitation:	220
Conservation:	428

Construction units were estimated by projecting the number of units available through permit allocations and exemptions, present population estimates, building permit and completed unit records, and the Grant Allocation log. The New Construction for the period was determined as follows:

Permit/grants issued prior to July 1989 but completed or expected to be completed during July 1989-July 1994	1,323
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Permits/grants issued or expected to be issued during the period July 1989 to December 1992.	1,208
--	-------

Permits/grants expected to become available January 1993 to April 1994	831
--	-----

Estimated number of units permitted annually under the Wood Ranch Development Agreement	1,306
---	-------

Permits/grants expected to be
issued by 1994 as a result of the
Coastfed/City Settlement Agreement

235

Total

4,903

The numbers above reflect actual grant allocations through the fourth quarter of 1992 and projected allocations through the second quarter of 1994.

Table 5.31
Maximum Feasible Unit Construction
by Income Category
July 1989 - June 1994

UNITS BY INCOME					
	VERY LOW	LOW	MODERATE*	UPPER*	TOTAL
1989-92	117	322**	154	615	1,208
1993-94	95	298	88	350	831
Pre 1989 Grants	132	398	159	634	1,323
Wood Ranch	-0-	-0-	261	1,045	1,306
Coast Federal	-0-	-0-	47	188	235
1989-1994 Total	344	1,018	709	2,832	4,903
RHNA Estimate	612	693	1,069	2,407	4,781

Sources: City of Simi Valley, Environmental Services Department
SCAG, Regional Housing Needs Assessment for Southern California

- * 20% of units not controlled by affordable agreements assumed to be Moderate.
- ** Includes 66 unit senior mobile home park presumed affordable to Low Income households.

Comparing the number of units shown in Table 5.31 above with those shown in Table 5.20 on page 5.31, the new construction estimate of total units (4,903) exceeds SCAG's RHNA estimate (4,781). While the estimated units in the Very Low category is lower than the RHNA estimate, the total of the Very Low and Low categories (1,362) exceeds the RHNA estimate (1,305). Also, the City total of the Moderate and Upper categories (3,541) exceeds the RHNA estimates for those categories (3,476).

The rehabilitated units were estimated by projecting the number of units which could be rehabilitated with available CDA and CDBG funds over the next five years. Of the households assisted to date through the rehabilitation program, approximately 51% have been very low income, 35% have been low income and 14% have been moderate (but below median) income families. These percentages are expected to

continue. Conserved units are estimated by projecting the number of units that could be conserved from an affordability aspect. The affordability of these units is maintained through the Section 8 Housing Assistance Program and through the City's Senior Rent Subsidy Program. The number of units projected to be rehabilitated and conserved through these two programs during the 1989-1994 timeframe are shown in Table 5.32 below. From a housing and condition aspect, a substantial portion of the existing stock will be conserved due to the low rates of substandardness and "newness" of the housing stock.

Table 5.32
Projected Rehabilitated and Conserved Units
By Income Category
July 1989 - June 1994

UNITS BY INCOME					
	Very Low	Low	Moderate	Upper	Total
Rehabilitation	110	77	33*	0	220
Section 8 Certificates Vouchers	378	0	0	0	378
Senior Rent Subsidy	50	0	0	0	50

* By City Council action on June 2, 1986, Home Rehabilitation Program loans are limited to households with incomes below the Median Income limit, as adjusted for household size.

5.3.3 STRATEGY CONCEPT

Introduction

The strategy concept identifies the City's housing goals and policies. The overall strategy is to present a balanced and diverse array of policies that cover four overall areas of concern: construction, conservation, rehabilitation and administration.

GOALS

Goals are very broad statements of purpose that reflect a general consensus of the community and local government. The Goals Section discusses the State goals and the City's goals.

State Goals

The state legislature set the context for housing goals when it stated its findings as part of the State's housing laws (Government Code Section 65580):

"(a) The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living

environment for every California family is a priority of the highest order.

- (b) The early attainment of this goal requires the cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels.
- (c) The provision of housing affordable to low- and moderate-income households requires the cooperation of all levels of government.
- (d) Local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community.
- (e) The Legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan and to cooperate with other local governments and the State in addressing regional housing needs."

City Goals

The City of Simi Valley has redefined the following goals from the previous Housing Element for inclusion in the Revised Housing Element.

- a. Overall Goals: To create a balanced community with services and housing opportunities for all economic segments of the community.

Rehabilitation: To maintain and improve, where necessary, the existing residential stock.

Conservation: To conserve housing for all economic segments of the community.

Construction: To provide a wide range of housing types and an adequate supply of affordable housing while maintaining the quality of life for all residents.

- b. Special Needs: To establish programs to meet the special needs of target groups.

POLICIES

In order to translate goals, which are general and long term, into more specific guidance, a series of policies were reviewed and, where necessary, revised based upon the general plan.

As with the goals for the Housing Element, the policies are grouped into sub-sets: construction, conservation, rehabilitation, and administration.

o CONSTRUCTION POLICIES

Mix of Densities and Housing Types

1. In order to meet the goal of providing a balanced community, a wide choice of housing should be available featuring a range of styles, types, densities and amenities.
(All New Construction Programs)
2. Densities should be directed toward an overall 80 percent single-family/20 percent multi-family mix, except for senior housing.
(All New Construction Programs)
3. The City should provide a diversity of housing units for all family types and incomes.
(All New Construction Programs)
4. The City shall make necessary density bonuses or other incentives available consistent with State law and community interests. They shall be available to;
 - a. encourage affordable rental housing targeted for very low and low income households;
 - b. encourage affordable ownership housing targeted for low income households;
 - c. provide specialized designs in affordable housing to meet the needs of senior citizens and the handicapped.
(Programs 1 & 2)
5. The City will encourage a variety of housing construction styles. In order to reduce construction costs, some residential development should be allowed to include non-traditional construction techniques. (All New Construction Programs, and Program 15)
6. The City should designate certain areas to encourage the provision of housing lifestyles, including, but not limited to, rental housing, townhouses, cluster developments, condominiums, apartments, single-family dwellings, factory-built housing, mobile home parks, mobile home subdivisions, equestrian and estate lots, emergency shelters, and transitional housing. (Programs 1, 2, 3, 14, 15, 19, & 21)

Affordable Housing Development

7. Affordable housing developments should address the housing needs as defined in the 1988 Southern California Association of Governments Regional Housing Needs Assessment.
(Programs 1, 2, 3, 4, 5, 6, 14, 15, 20, and 21)
8. Affordable housing developments, should be conveniently located near public services, transit and shopping facilities.
(All New Construction Programs)

9. The City should encourage attractive and functional designs for affordable housing during the development review process. Such policies should be accomplished through;
 - a. design that blends harmoniously with the surrounding neighborhood;
 - b. exterior treatment that is compatible with market rate housing;
 - c. project design that minimizes safety and maintenance problems; and
 - d. provision of amenities such as recreational facilities or enriched landscaping.
(All New Construction Programs)
10. The City shall continue to review the design of all developments to ensure that units designed to be affordable complement the character of the surrounding neighborhood and do not separate lower income families from the community. The City may allow unit clustering for purposes of facilitating the development of affordable ownership units and senior housing.
(All New Construction Programs)
11. The City will continue to utilize the planned or cluster development permit process to provide for flexibility in housing design.
(All New Construction Programs)
12. Whenever feasible, incentives will be provided to developers of affordable housing for groups with special housing needs in relationship to the amount of affordable units provided.
(Programs 1, 2, 3, 4, 14, 15, 17, 18, 19, 20, & 21)
13. Manufactured housing may be encouraged to provide a supply of very low to median priced housing. Each mobile home subdivision or park designation should be limited to no more than 500 spaces and should be designed to promote a pleasing visual impact through unit design features, landscaping, provision of tree canopies and other design amenities.
(Program 15)
14. The City will encourage the construction of affordable units in designated high and very high density areas.
(All New Construction Programs)
15. A portion of each year's Community Development Block Grant should be allocated to assist in the provision of housing affordable to very low and lower income households.
(Programs 5 & 12)
16. The City, in cooperation with private developers, the public, and business groups should implement the goals outlined in the Comprehensive Housing Affordability Strategy and the five year action plan by providing very low, lower-income and senior

housing units each year through a density bonus and other incentives program.
(Programs 1 & 2)

Density Bonus Program

17. The City shall make available density bonuses or other incentives to achieve affordable housing.
(Programs 1 & 2)

Special Needs Groups

18. The City will attempt to provide housing for special household groups in an equitable and balanced manner.
(Programs 1, 2, 3, 4, 8, 10, 14, 18, 19, & 21)

(Seniors)

19. The City will encourage housing programs which address the special financial and design needs of primarily very low income senior citizens.
(Programs 2, 8, 11, and 15)
20. The City will encourage the construction of specialized housing for senior citizens in the community including planned senior communities.
(Programs 2, 5, 14, and 15)
21. The City will encourage the placement of senior housing on public transit routes within a short walking distance of daily shopping facilities and near medical facilities.
(All Senior New Construction Programs)

(Large Households)

22. The City will encourage the construction of very low and low income housing units of three bedrooms or more for households of five or more persons using the latest Comprehensive Housing Affordability Strategy as a general guide.
(See #23) (Programs 1, 3, 10, 14, 17, 18, & 21)

(Single Parent Families)

23. The City will encourage construction of affordable housing units for single parent families which include child care facilities.
(Programs 1, 3, 10, 14, 17, & 18)
24. The City will encourage construction of affordable residential development in areas of the City where the amenities needed by single parent families exist.
(Programs 1, 3, 10, 14, 17, & 18)

(Handicapped Households)

25. The City will encourage construction of affordable housing units which meet the design needs of the handicapped.

(Programs 2, 14, & 15)

26. All new structures and facilities shall provide handicapped access pursuant to State law.
(All New Construction Programs)
27. The design of sidewalks, parking, and public areas for single and multiple family units shall facilitate their access by the handicapped as required by State law.
(All New Construction Programs)

(Households in Need of Emergency Shelter and Transitional Housing)

28. The City shall encourage the development of emergency shelters and transitional housing needs by identifying the appropriate potential sites for such development.
(Programs 4 & 19)

o CONSERVATION POLICIES

1. The City, its residents, and the business community should make every effort to ensure that all residential areas are properly maintained.
(Programs 5, 9, 12, & 13)
2. Affordable housing should be located to avoid isolation of such units from the community or its services.
(All New Construction)
3. The City shall continue to implement programs that preserve the City's existing affordable housing stock.
(All Conservation Programs)
4. The City, will support actions which result in a reduction in public service costs to its residents and/or a reduction in housing costs.
(Programs 17 & 18)
5. The City should continue to assist in implementing the Section 8 Housing Assistance Payment programs in cooperation with the Ventura County Areawide Housing Authority.
(Program 7)
6. The City should continue to offer maintenance programs through the Community Development Block Grant Program or other funding for very low, low, and median income households to prevent neighborhood decline.
(Programs 5 & 9)

o REHABILITATION POLICIES

1. The City should continue to offer rehabilitation programs through the Community Development Block Grant Program or other funding for very low, low, and median income households to reverse neighborhood decline.
(Programs 5 & 9)

2. The City should work with State legislators in support of legislation which would delay property tax increases on rehabilitated housing for a reasonable period of time.
(Programs 5 & 9)
3. All rehabilitated structures and facilities shall provide handicapped access pursuant to State law.
(Programs 5 & 9)

o ADMINISTRATIVE POLICIES

1. The City shall identify potential sites which will be made available through appropriate zoning and development standards and with public services and facilities and encourage the development of a variety of housing types and lifestyles for all economic segments of the community.
(Program 21)
2. The City of Simi Valley shall work to develop programs that reduce housing costs while ensuring the quality of development within its legal and jurisdictional capacity.
(Program 17 & 18)
3. The City will continually monitor residential and population growth to ensure that they do not exceed current growth limitations of the Countywide Planning Program and should adopt regulations to limit the rate of residential growth as necessary.
(Program 20)
4. The public awareness campaign should be continued to familiarize the public with the potential dangers inherent in the aluminum wiring used in some early residential tracts.
(Programs 5 & 9 & Separate Outreach)
5. The City will review developments which are receiving a financial and/or density bonus to ensure that a reasonable number of units are designed and equipped for handicapped persons, in particular seniors.
(Programs 2, 14, & 15)
6. The City will continue the referral service of assisting families and persons in need of emergency shelter.
(Program 4)
7. The City will work to ensure that no housing discrimination will be allowed. Discrimination based on race, color, creed, national origin, age, handicap, sex or marital status is unlawful in housing. Cities are charged with implementing programs which provide equal housing opportunities.
(Program 16)
8. The City will continue to work with other public agencies and private enterprises which provide service or housing within the City's Area of Interest.
(All Programs)

9. The City should continue its active membership in the Area Housing Authority of the County of Ventura.
(Program 7)
10. The City should continue a program to inform its citizenry of the depth and variety of housing needs existing in the community, and to assist business and citizen groups which desire to involve themselves in providing means of meeting the City's housing needs.
(Program 22)
11. The City shall continue to require developers to enter into affordable housing agreements to ensure the continuation of affordability of units in those projects that have received density bonuses for the provision of affordable housing.
(Programs 1 & 2)
12. The City should update the Comprehensive Housing Affordability Strategy as part of the City's Housing and Community Development Block Grant application so long as the Block Grant program is in effect and the City receives Block Grant Funds.
(Programs 5, 7, & 12)
13. The City should continue to update the Housing Element as part of the City's General Plan and consider revisions based on the following occurrences.
 - (a) Availability of information from the 1990 Census;
 - (b) New Regional Housing Needs Assessment figures; and
 - (c) State mandated revisions.
(Program 22)

CHAPTER 5.4
IMPLEMENTATION: PROGRAMS

5.4.1 SUMMARY

This Chapter describes the programs which the City may implement during the time frame of the revised Housing Element. The programs are designed to implement the policies which were identified in Chapter III: Goals and Evaluation. Each program identifies the specific actions which will facilitate the achievement of that policy. In addition, anticipated impacts (including income groups and number of units - numbers may be double counted in other program impacts), responsible agency, financing, and schedule are presented.

The following programs address a range of housing needs and represent a commitment by the City to address those needs in a responsible manner. The programs are designed to build upon one another: no single program should be perceived as the panacea for all the City's needs.

The most effective approach will involve the creative use of a combination of programs. For example, density bonuses by themselves may not be enough of an inducement to the developer to provide affordable housing. However, density bonuses combined with reduced land costs or other incentives may produce affordable housing in an economic manner for the developer.

5.4.2 CONSTRUCTION PROGRAMS

PROGRAM 1: DENSITY BONUS

Description: The newly revised State law provides that a density bonus and other regulatory concessions or incentives shall be granted to developers proposing to build very low or lower income units. The new law requires 20% of the total units to be less than affordable to lower income households or 10% of the units to very low income households. The rents for lower income households must be less than 30% of 60% of the median income for the area, and the rents for very low income households must be less than 30% of 50% of the median income. The rents must remain affordable for a period of 30 years. A density bonus of at least 25 percent above the maximum units allowed over the General Plan top of the development range designation is considered a bonus incentive. However, the top of the bonus range may not be exceeded except as allowed by the City's ordinance regulating density bonuses and other incentives.

The City will require that applicants receiving a density bonus and other equivalent incentive must enter into a housing agreement with the City. The Agreement includes, but is not limited to, selling price or rental structure, dwelling unit mix (number of bedrooms), number of affordable units in each development phase, target income mix (50 percent, 80 percent, 100 percent, 120 percent median), resale controls when applicable, and tenure. Terms of the Agreement are recommended to the City Council on a case-by-case basis by the Affordable Housing Subcommittee of the City Council.

Anticipated Impact: 239 affordable housing units for very low and low income households.

Responsible Agency: Department of Environmental Services.

Financing: Private development

Schedule: 1991-1994

PROGRAM 2: DENSITY BONUS (SENIORS)

Description: This program is used in conjunction with Program 1. A density bonus may be allowed for smaller than normal housing units designed specifically for senior citizens. When providing housing subsidies or density bonus for senior citizens, first priority will be placed on units which benefit households targeted under the U.S. Department of Housing and Urban Development Section 8 Housing Assistance Program. Density bonuses and other incentives for senior households should also ensure the provision of units affordable to seniors most in need of assistance.

Anticipated Impacts: 194 market rate and affordable housing units for very low and low income senior households.

Responsible Agency: Department of Environmental Services.

Financing: Private development

Schedule: 1991-1994

PROGRAM 3: TRANSFER OF DEVELOPMENT RIGHTS

Description: Development rights may be transferred when the following criteria are met.

- a. The combined total number of residential units are to be considered as a single development proposal. The secondary site, which is proposed to receive the transferred development rights, must be identified and a planned development application must be submitted with the primary request. (Both sites are to be posted and public notices sent to adjacent property owners at the time of project review.)
- b. The transfer of development rights to the secondary site may not result in a density on the site greater than that authorized by the top of the bonus range land use designation of the General Plan Map.
- c. Construction of the affordable units on the primary and secondary sites must occur proportionally to the construction of market rate units on each such site.

Anticipated Impact: Additional flexibility and opportunities for creative solutions to residential development (especially affordable units).

Responsible Agency: Department of Environmental Services

Financing: Private development

Schedule: 1993

PROGRAM 4: EMERGENCY SHELTERS/TRANSITIONAL HOUSING

Description: The City shall continue to encourage the establishment of emergency shelters and transitional housing targeted for the use of Simi Valley residents by coordinating with and providing financial assistance to local and regional agencies. The City shall consider emergency shelters and transitional housing in residential areas through the approval of a special use permit as proposed, but shall discourage their concentration in any one area of the City.

Anticipated Impact: An undetermined number of homeless to be assisted (very low and low income households).

Responsible Agency: Department of Environmental Services

Financing: CDA Set-Aside, Community Development Block Grant, and/or Emergency Shelter Program (State-ESP funds)

Schedule: 1991-1994

PROGRAM 5: COMMUNITY DEVELOPMENT BLOCK GRANT
(New Construction Incentives)

Description: These funds are from a federal revenue sharing program which provides monies to local jurisdictions to provide, protect, or conserve housing for very low and low income households. The City's annual grant is determined by a formula which considers population, income levels, and the incidence of overcrowded and substandard housing. Simi Valley has used its CDBG funds to:

Assist in the development of affordable housing units;

Construct a senior citizens center;

Repair or reconstruct streets in older neighborhoods;

Construct handicapped ramps at five intersections; and

Operate the housing rehabilitation loan and grant program.
(See Program 12.)

Anticipated Impacts: Provision of additional incentives for approximately 21 units of affordable housing construction for very low and low income households.

Responsible Agency: Department of Environmental Services

Financing: CDBG Funds

Schedule: 1988-1991; 1991-1994

PROGRAM 6: FIRST-TIME HOMEOWNER ASSISTANCE

Description: In October 1988, the City approved a pilot program to assist first-time homebuyers. The program is funded through \$27 million in mortgage revenue bonds which were issued in September 1990, and August 1988 and through \$1.5 million in CDA Set-Aside funds. The City's Program provides 30-year fixed rate mortgages at an interest rate of 8.45 to 8.65 percent. Down payment assistance of 15 percent is to be provided for resale home purchases. The down payment assistance for resale home purchases will be provided as a second trust deed with interest only payments at the rate of 4 percent, and the principal due and payable in (5) five years.

The new home purchases would be available to families of 1 or 2 persons earning up to \$51,200 (revised median); and to families of 3 or more persons earning up to \$57,980 (113% of revised median). The resale home purchases are available to families earning up to \$51,200. One-half of the resale homes must be purchased by households whose annual income does not exceed \$46,080.

During September 1989, over 900 families submitted applications for this program. Potentially eligible households were initially chosen through a lottery system and subsequently, on a first-come, first served basis.

Anticipated Impacts: In conjunction with other programs, 100 additional affordable housing units for low and moderate (up to 113% median income) households.

Responsible Agency: Department of Environmental Services

Financing: \$27 million bond issue and \$1.5 million CDA Set-Aside

Schedule: January 1, 1989 through July 1, 1994

5.4.3 CONSERVATION PROGRAMS

PROGRAM 7: RENTAL CERTIFICATES AND VOUCHERS SECTION 8 HOUSING ASSISTANCE PAYMENTS:

Description: The City shall continue to participate in the Section 8 Certificates and Voucher Housing Assistance Payments Program which is administered for the City by the Area Housing Authority (AHA) of Ventura County.

This program is a major source of housing assistance for very low income households. The AHA has reported that it has been able to assist 18 percent of all applications received.

The low ratio of assistance to need is due to the high prevailing rents in Ventura County (which generally exceed the maximum allowable rent under the program) and the low vacancy rate. Eligible households have trouble finding an affordable unit in good condition, with a landlord willing to participate in the program. The City hopes to continue at least this level of service to eligible applicants over the next five (5) years and has urged the

federal Department of Housing and Urban Development to increase its allocation to AHA.

Anticipated Impacts: The Area Housing Authority indicates that 338 households are receiving Section 8 existing subsidies as shown. Of the assisted families, 271 (80%) are female heads of households.

SECTION 8
SUBSIDIZED HOUSEHOLDS
(August 1990)

Elderly	110
Disabled	20
Families	<u>208</u>
Total	338

Responsible Agencies: Area Housing Authority and Department of Environmental Services.

Financing: Fund reservation by U.S. Department of Housing and Urban Development

Schedule: 1989-1994

PROGRAM 8: SENIOR RENT SUBSIDY

Description: In October 1988, the City adopted a senior rent subsidy program designed to provide rental subsidies to the fifty (50) neediest Simi Valley seniors awaiting HUD Section 8 Assistance. The Program is financed with \$247,000 from the CDA Set-Aside Funds and is being administered by the Area Housing Authority of Ventura County. The City's program is identical to and will provide the same assistance as the Section 8 Program until the tenant starts receiving the federal rent subsidy. Program implementation started in July 1989 as a result of delays in obtaining necessary HUD approvals.

Anticipated Impacts: Approximately fifty (50) very low income households with monthly housing assistance payments.

Responsible Agency: Area Housing Authority and Department of Environmental Services.

Financing: \$247,000 from CDA Set Aside Funds

Schedule: July 1989 through July 1994

PROGRAM 9: COMMUNITY DEVELOPMENT BLOCK GRANT (CONSERVATION)

Description: The City shall continue to give a high priority to the use of CDBG funds to protect or preserve housing for low and moderate income households as long as the funding is available. The City's annual grant is determined by a formula which considers population, income levels, and the incidence of overcrowded and substandard housing. In addition, proceeds of outstanding CDBG loans shall continue to be used for the housing rehabilitation program, in conjunction with additional funding from the City's CDA Set-Aside monies.

Anticipated Impacts: Conservation of affordable housing and neighborhoods in which affordable housing is more likely to occur.

Responsible Agency: Department of Environmental Services

Financing: Fund reservation from the U.S. Department of Housing and Urban Development

Schedule: 1988-1991; 1991-1994

PROGRAM 10: AFFORDABLE HOUSING PRESERVATION

Description: Several of the affordable projects which exist in the City have been financed through a combination of incentives including density bonus and mortgage revenue bond financing. Depending on economic conditions, it may be mutually advantageous for the developer and the City to consider renegotiating some of these agreements. Through this means the City has been able to increase the number and affordability of units and the length of term of some agreements. The City shall continue to pursue the following actions to ensure the preservation of affordable-priced housing units:

a. New Housing Construction

- 1) Deed restrictions shall be required on owner-occupied affordable units to control their resale price.
- 2) Affordable housing provided through the City's Affordable Housing Program will be regulated through Affordable Housing Agreements with the developers.

b. Existing Projects subject to Affordable Housing Agreements

- 1) The City shall, on an annual basis, identify those units which are potentially at risk of losing affordability within the next five (5) years.
- 2) The City shall consider renegotiation of any agreements which are identified as at risk of losing their affordability within the next five years, to increase their term of affordability.

- (3) The City shall consider all available means to retain or replace those units identified as at risk of losing their affordability within the next five years.

c. Existing Housing Stock

- 1) The City shall continue to participate in the Section 8 Rental Assistance Program and provide to this program preferential status under the City's Affordable Housing Program.
- 2) The City shall endeavor to maintain the quality of existing residential neighborhoods through the coordination of government programs that either directly invest, directly initiate and sponsor or cause the initiation of assessment districts that provide needed construction and maintenance of the infrastructure.
- 3) The City shall establish procedures to permit the relocation of existing housing stock from one area within the City or from outside the City to another area within the City.

Anticipated Impacts: Continued availability of affordable housing units for low and moderate income households.

Responsible Agencies: Department of Environmental Services

Financing: General Fund/CDBG/CDA Set-Aside/Private development

Schedule: 1989-1994

PROGRAM 11: MOBILE HOME RENT MEDIATION

Description: Mobile homes constitute the most affordable housing available in the City. Six (6) parks presently in operation account for 721 mobile home units (DOF estimate). The City recognizes the substantial investment that the residents of these parks have made in establishing their homes on leased spaces and the hardship that would result if these residents were required to relocate because of rapidly escalating rents. As a result, and in the interest of assisting in the equitable resolution of disputes between management and tenants, the City created the Mobile Home Rent Mediation Board. The Board is formed by five (5) members who meet at the request of the park residents in accordance with pre-established procedures. The City shall continue the activities of the Mobile Home Rent Mediation Board as necessary to establish guidelines for reasonable rent increases based on the Consumer Price Index and owner's operating expenses, and provides grievance hearings, mediation, and non-binding arbitration for disputes between landlords and tenants.

Anticipated Impacts: Maintain rent stability and prevent displacement of mobile home residents (low income).

Responsible Agency: Mobile Home Rent Mediation Board and Department of Environmental Services

Financing: General support

Schedule: 1989-1994

5.4.4 REHABILITATION PROGRAMS

PROGRAM 12: HOUSING REHABILITATION (CDBG)

Description: The City will continue to provide a housing rehabilitation program, staffed on a full-time basis and funded from the proceeds of outstanding CDBG loans as well as from the CDA Set-Aside monies (see Program 13). Below-market interest rate loans will be made available to low and median income homeowners to assist them to make needed repairs to their homes, including remodeling to accommodate handicapped residents.

Anticipated Impacts: Rehabilitation of approximately forty 40 homes of very low and low income households per year.

Responsible Agency: Department of Environmental Services

Financing: CDBG and CDBG repayments

Schedule: 1988-1991; 1991-1994

PROGRAM 13: HOUSING REHABILITATION (TAX INCREMENT)

Description: The Community Development Agency has an active redevelopment program from which at least 20 percent of all tax-increment monies must be set aside for housing programs that benefit low and moderate income households as long as such housing need is found to exist. These funds could be used to rehabilitate housing units. The funds must be used for projects within the City of Simi Valley. This program is used in conjunction with Program 12 (CDBG) except financing is provided through CDA Set-Aside Funds.

5.4.5 ADMINISTRATIVE PROGRAMS

PROGRAM 14: SPECIFIC PLAN (AFFORDABLE REQUIREMENT)

Description: The General Plan Land Use Element identifies several large areas which will be (or are being) processed as specific plans. Each residential specific plan proposal under review where high or very high densities allow for affordable housing and where those densities are found to be appropriate is required to provide affordable units according to the following formula:

$$\frac{\text{PROJECTED POPULATION OF SPECIFIC PLAN}}{\text{PROJECTED CITYWIDE POPULATION}} \times \text{TOTAL FAIR SHARE ALLOCATION} = \text{NO. OF AFFORDABLE UNITS REQUIRED IN SPECIFIC PLAN}$$

The affordable units resulting from the application of this formula are to be included as a portion of the total specific plan allocation.

Additional affordable units in excess of the total allocation may be granted, or other equivalent incentives may be awarded for the provision of additional affordable units, to be reviewed on a case-by-case basis.

Bonus units must be consistent with the density bonus criteria in the General Plan and must be affordable to households earning no more than 80 percent of the median income, or reserved for seniors.

The program is implemented through the permitting process by the City. As requests for specific plans are processed, this program is applied on large area plans with appropriate high or very high density designations, such as, Simi Village, Douglas Ranch, Blakeley Swartz and Sequoia Heights.

Anticipated Impacts: Undetermined number of units affordable to low and moderate income households (depends on specific plans to be filed).

Responsible Agency: Department of Environmental Services

Financing: General support.

Schedule: 1991-1994

PROGRAM 15: MANUFACTURED HOME OVERLAY ZONE

Description: The City shall retain a Manufactured Home Overlay Zone that permits locating mobile homes certified under the National Mobile Home Construction and Safety Standards Act of 1974 on single-family residential lots in Simi Valley.

Anticipated Impacts: Undetermined number of sites would be developed with mobile homes (predominately low income).

Responsible Agency: Department of Environmental Services

Financing: Not applicable

Schedule: 1991-1994

PROGRAM 16: FAIR HOUSING

Description: The Area Housing Authority of the County of Ventura is responsible for ensuring equal housing opportunities to Section 8 eligible households. In accordance with federal guidelines, the City has also established a fair housing program administered through the Area Housing Authority designed to affirmatively promote fair housing laws. The program includes dissemination of information through literature and presentations before neighborhood groups, agencies and businesses in the housing field, training of City staff, and assistance to the public concerning fair housing complaints.

Anticipated Impacts: Continued promotion of fair housing laws.

Responsible Agencies: Area Housing Authority and Environmental Services Department.

Financing: CDBG

Schedule: 1988-1991; 1991-1994

PROGRAM 17: DEVELOPMENT PROCESSING

Description: The City's development review process is expedited through the implementation of the following mechanisms:

Pre-application review - This process ensures that the applicant is informed at the beginning of the application's review of all requirements needed to initiate and complete review of the project.

Planning review flow chart - This procedure identifies, at the outset of project review, the various steps in the process and the time frame for their completion. This helps expedite project review and prevent undue and unforeseen delays by ensuring a clear understanding of the process by all parties.

Anticipated Impacts: Reduction in processing time and expediting of housing developments.

Responsible Agency: Department of Environmental Services

Financing: General support

Schedule: 1989-1994

PROGRAM 18: DEVELOPMENT FEE WAIVERS/REIMBURSEMENT

Description: The City's development fees and dedication requirements are within the range of similar service costs in surrounding communities. The City may defer fees in certain projects targeting lower income families. In addition, certain fees associated with the processing, implementation and monitoring of developments with affordable housing agreements may be reimbursed to the applicant from the CDA's Set-Aside funds.

Anticipated Impacts: Waiver/Reimbursement of fees for certain affordable housing units (low and moderate income households).

Responsible Agencies: Department of Environmental Services

Financing: General support and CDA Set-Aside Funds

Schedule: 1991-1994

PROGRAM 19: PUBLIC ACTION TO DELIVER SHELTER (PADS)

Description: Currently, a joint project sponsored by the Simi Valley United Methodist Church and the Simi Valley Presbyterian Church provides counseling and refers homeless persons in Simi

Valley to various agencies and sources of assistance. The Interfaith Agency in Thousand Oaks also acts as a referral agency, and the ZOE Christian Center in Oxnard provides emergency housing for the homeless. Transitional housing is provided through the Satellite Home Program run by the ZOE Foundation facilities in Oxnard. Two local organizations, Care and Share and the Salvation Army, provide assistance to the homeless by issuing vouchers, free meals and clothing.

These agencies refer the homeless to the various shelters in the area which include 208 beds for emergency housing and 30 beds for transitional housing for women and children.

In 1987, the Public Action to Deliver Shelter (PADS) program was initiated in Simi Valley. The Simi Valley Interfaith Coalition for the Homeless, constituted by religious leaders, City officials, social workers and volunteers, initiated the PADS program designed to provide meals and shelter to the homeless on a rotating basis during the winter months. The program was in operation for four months during each of the winters since 1987.

Simi Valley also participates in the Commission on Human Concerns Lease Assistance Revolving Loan Fund. These funds are targeted for the use of Simi Valley residents only. The Commission also acts as the lead agency for the Ventura County Homeless Coalition, a coordinating umbrella organization formed by various public agencies and members of the private sector interested in dealing with the homeless problem.

Anticipated Impacts: Continuing assistance to homeless (23 beds per night).

Responsible Agencies: Simi Valley United Methodist Church, Simi Valley Presbyterian Church, Interfaith Coalition, ZOE Christian Center, Commission on Human Concerns, and Department of Environmental Services

Financing: CDA Set-Aside Funds with \$10,000 earmarked for use by Simi Valley residents

Schedule: 1989-1993

PROGRAM 20: EVALUATION OF GROWTH MANAGEMENT PLAN/RESIDENTIAL PERMIT ALLOCATION SYSTEM

Description: A growth management plan approved by the voters in 1986 was enacted to meet the federal guidelines for air and water quality as adopted by the regional Air Quality Management Plan and 208 Water Quality Management Plan. In enacting this plan the voters recognized the potential impacts on the availability of affordable housing and incorporated provisions into the system designed to mitigate this effect. Senior and affordable housing projects are prioritized within the system and receive between 35 percent and 45 percent of all available building permits. This incentive has facilitated approval of numerous projects over the past 2½ years

including 105 owner-occupied units, 548 multi-family rental units and 216 senior units.

The permit level allowed under this system is based on population limits identified in the above plans. Persons per household calculations are used to determine the allowable number of housing units. City Council will periodically evaluate these calculations in order to reflect the most current demographic information available to the City.

Anticipated Impacts: (1) Continued availability of affordable units under the growth management plan. (2) Systematic updates and evaluation of the Residential Permit Allocation System.

Responsible Agency: Department of Environmental Services

Schedule: Ongoing with evaluations and revisions occurring as required by the growth management plan and as necessary and appropriate.

(Annual: 1990, 1991, 1992, 1993, & 1994)

PROGRAM 21: SITE AVAILABILITY

Description: The City will consider two steps to ensure that sites are available for residential development if necessary to meet housing needs.

- 1) The City may amend the Development Code to permit mixed-use developments in vacant or underdeveloped commercial parcels which are compatible for combined residential/commercial uses. This step could increase the availability of land for higher density residential developments.
- 2) Land-Banking - The City Council considered a land banking program proposed by the City's consultant in the 1987 Housing Evaluation Report which envisioned the purchase of land for use in conjunction with other incentives for the development of affordable housing. It was determined that should the opportunity become available to purchase land for affordable housing, the City will consider such proposals.

Anticipated Impacts: Increased availability of sites for residential development (especially affordable units).

Responsible Agencies: Department of Environmental Services

Financing: Not applicable

Schedule: 1991-1992

PROGRAM 22: MITIGATION PROGRAM FOR WATER IMPACTS

Description: It is not anticipated that possible future restrictions in the water supply will affect the City's ability to accommodate its share of the regional housing need beyond the

population growth limits. Mitigation of existing drought conditions and possible water cutbacks will be addressed through the continued voluntary and if necessary, mandatory water conservation measures. In addition, the City's Waterworks District No. 8, has joined with other regional purveyors in supporting a unified approach in identifying water quality and quantity issues and developing new ways of addressing conservation, preservation and utilization of water resources.

Anticipated Impacts: Mitigation of potential water shortages.

Responsible Agency: Department of Public Works: Board of Directors, Ventura County Waterworks District No. 8

Financing: General support.

Schedule: Contingent upon continuation of drought conditions and potential cutbacks in water supply.

PROGRAM 23: HOUSING ELEMENT REVISION

Description: The Housing Element will be revised when appropriate but no less than once every five (5) years to meet State law.

Anticipated Impacts: Maintain an up-to-date Housing Element.

Responsible Agency: Department of Environmental Services

Financing: General support

Schedule:

- 1) Revised RHNA, or
- 2) Availability of more current and accurate data that alters assessments, or
- 3) Revisions required by State law.

APPENDIX 5.5

CONTROLLED GROWTH LIMITATION PLAN

(Measure A, Ord. 638, November 4, 1986
Ordinance No. 777, June 15, 1992
Resolution No. 92-48, May 11, 1992)

(Appendix 5.5 is omitted. Copies of the
above noted documents are available from
the Department of Environmental Services.)

APPENDIX 5.6

FIRST TIME HOMEBUYER MORTGAGE REVENUE BOND PROGRAM

(Resolution No. 89-39/CDA-89-6, May 8, 1989
Resolution No. CDA-89-9, July 31, 1989
Resolution No. 90-98, September 17, 1990
Resolution 90-141/CDA-90-10, December 10, 1990)

(Appendix 5.6 is omitted. Copies of the
above noted documents are available from
the Department of Environmental Services.)

APPENDIX 5.7

SENIOR RENT SUBSIDY PROGRAM

(Resolution No. CDA-89-5, April 24, 1989)

(Appendix 5.7 is omitted. Copies of the above noted documents are available from the Department of Environmental Services.)

APPENDIX 5.8

DENSITY BONUS PROGRAM

(Ordinance No. 794, March 22, 1993)

(Appendix 5.8 is omitted. Copies of the above noted documents are available from the Department of Environmental Services.)

APPENDIX 5.9

HCD REVIEW COMMENTS AND RESPONSES

(City Transmittals 3/1/93, 4/15/93;
HCD Response 4/16/93)

CITY OF SIMI VALLEY



2929 Tapo Canyon Road, Simi Valley, California 93063 • (805) 583-6700

March 1, 1993

Department of Housing and Community Development
Division of Housing Policy Development
1800 Third Street, Room 430
P.O. Box 952053
Sacramento, CA 94252-2053
Attn: Gary Collard

SUBJECT: DRAFT AMENDMENTS TO THE HOUSING ELEMENT OF THE GENERAL PLAN, CITY OF
SIMI VALLEY

Dear Sirs:

At their meeting on February 8, 1993, the Simi Valley City Council directed that the attached Draft Amendments to the Housing Element of the General Plan be forwarded to you for review and comment. This action was taken pursuant to Government Code Section 65585(b) which states in part:

"...at least 45 days prior to the adoption of an amendment to this element, the planning agency shall submit a draft of this element or amendment to the department."

These Draft Amendments are limited technical updates of the existing Housing Element which was adopted on March 18, 1991. They update the database by incorporating recently available material from the 1990 Census, as well as the City's experience, through the end of 1992 in the issuance of residential building permits. They also address the requirement in Government Code Section 65583(a)(8) which calls for an analysis of existing assisted housing developments that are eligible to change from low income housing uses during the next ten (10) years and the requirement in Section 65593(b)(2) which calls for quantified objectives establishing the maximum number of housing units by income category that can be achieved over the five-year timeframe covered by the Element.

The analysis of affordable housing projects at risk of losing their affordability over the next five and ten year periods has been added to Chapter 5.2 of the Draft Housing Element beginning on page 52 and is summarized in a new Table 5.28 found on page 53. The table shows that 35 units will become "at risk" by 1994 and an additional 373 will be potentially "at risk" by 1999. Program 10 in Chapter 5.4, beginning on page 82, has been expanded to respond to this need.

A new Table 5.31 on page 67 in Chapter 5.3 summarizes the maximum feasible number of new dwelling units that can be anticipated over the five year period covered by this Housing Element (1989-1994). It also responds to the requirement in Section 65583(b)(2) by listing these units according to their affordability and comparing these numbers with the SCAG defined Regional Housing Needs Assessment (RHNA) projections. The City's projections exceed the RHNA projections in the combined Low and Very Low income categories as well as the combined Moderate and Upper income categories.

GREGORY STRATTON
Mayor

JUDY MIKELS
Mayor Pro Tem

BILL DAVIS
Council Member
5.9.2

SANDI WEBB
Council Member

BARBARA J. WILLIAMSON
Council Member

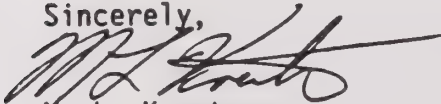
Department of Housing and Community Development
Page Two

The Draft Amendments to the Housing Element are presented in legislative format for ease in comparison with the existing 1991 Housing Element. All additions are shaded and all deletions are noted by strikeouts. With the exception of the expansion in Program 10 noted above, the primary analysis and the existing goals, policies and programs as well as the period addressed, from 1989 to 1994, remain unchanged.

Both the City's Planning Commission and City Council have held public hearings to consider the Draft Amendments to the Housing Element. Upon completion of your review, the Draft Amendments will be returned to the City Council to complete their hearing and adoption process.

The City of Simi Valley looks forward to receiving your comments. Should you have questions during your review, please feel free to contact Mr. James Lightfoot, Advanced Planning Manager at (805) 583-6774 for assistance.

Sincerely,



M. L. Koester
City Manager

Attachment

cc: Director of Environmental Services
Deputy Director/Housing and Special Projects
Deputy Director/Advanced Planning
Advanced Planning Manager✓

43/2-93(2)

CITY OF SIMI VALLEY



2929 Tapo Canyon Road, Simi Valley, California 93063 • (805) 583-6700

April 15, 1993

Facsimile Sent

Department of Housing and Community Development
Division of Housing Policy Development
Attn: Rebecca Hoepcke
1800 Third Street, Room 430
P.O. Box 952053
Sacramento, CA 94252-2053

SUBJECT: DRAFT AMENDMENTS TO THE HOUSING ELEMENT OF THE GENERAL PLAN, CITY OF
SIMI VALLEY

Dear Ms. Hoepcke:

Thank you for providing us with an early comment on the draft revisions of the Simi Valley Housing Element. As you suggested, we have prepared projections of the number of housing units expected to be assisted with rehabilitation and conserved over the timeframe of this amendment of the Housing Element. Staff will present the following paragraph and table to the City Council for consideration in adoption of the draft element:

"The rehabilitated units were estimated by projecting the number of units which could be rehabilitated with available CDA and CDBG funds over the next five years. Of the households assisted to date through the rehabilitation program, approximately 51% have been very low income, 35% have been low income and 14% have been moderate (but below median) income families. These percentages are expected to continue. Conserved units are estimated by projecting the number of units that could be conserved from an affordability aspect. The affordability of these units is maintained through the Section B Housing Assistance Program and through the City's Senior Rent Subsidy Program. The number of units projected to be rehabilitated and conserved through these two programs during the 1989-1994 timeframe are shown in Table 5.32 below. From a housing and condition aspect, a substantial portion of the existing stock will be conserved due to the low rates of substandardness and "newness" of the housing stock.

GREGORY STRATTON
Mayor

JUDY MIKELS
Mayor Pro Tem

BILL DAVIS
Council Member
5.9.4

SANDI WEBB
Council Member

BARBARA J. WILLIAMSON
Council Member

Table 5.32
Projected Rehabilitated and Conserved Units
By Income Category
July 1989 - June 1994

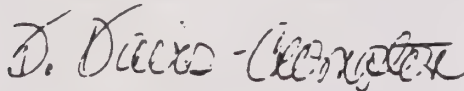
UNITS BY INCOME					
	Very Low	Low	Moderate	Upper	Total
Rehabilitation	110	77	33*	0	220
Section 8 Certificates Vouchers	378	0	0	0	378
Senior Rent Subsidy	50	0	0	0	50

* By City Council action on June 2, 1986, Home Rehabilitation Program loans are limited to households with incomes below the median income limit as adjusted for household size.*

It is anticipated that this material will be added to page 68 of the draft Housing Element, immediately before Section 5.3.3, Strategy Concept.

The City of Simi Valley looks forward to receiving your full comments. Should you have any further questions during your review, please feel free to contact Mr. James Lightfoot, Advanced Planning Manager, at (805) 583-6774 for assistance.

Sincerely,



Diane Davis-Crompton, Director
Department of Environmental Services

cc: City Manager
Deputy Director/Housing and Special Projects
Deputy Director/Advanced Planning
Advanced Planning Manager

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

DIVISION OF HOUSING POLICY DEVELOPMENT

1800 THIRD STREET, Room 430
P.O. BOX 952053
SACRAMENTO, CA 94252-2053
(916) 323-3176 FAX (916) 323-6625

93 APR 19 AM 10:42



April 16, 1993

Mr. M. L. Koester
City Manager
City of Simi Valley
2929 Tapo Canyon Road
Simi Valley, CA 93063

Dear Mr. Koester:

**RE: Review of City of Simi Valley's Draft Housing Element
Amendment Pursuant to Chapter 1451, Statutes of 1989**

Thank you for submitting Simi Valley's draft housing element amendment, received for our review on March 4, 1993, and additional information received by facsimile transmission on April 16, 1993. As you know, we are required to review draft housing elements and report our findings to the locality (Government Code Section 65585(b)).

Telephone conversations in April 1993 with Mr. James Lightfoot, Advanced Planning Manager for the City, facilitated our review. This letter and Appendix summarize the results of those conversations.

The amendment adequately analyzes assisted units at risk of conversion to market rate in the current planning period, the costs of replacing the units, the resources available to the City, and program actions to preserve units. The amendment also estimates the quantified objectives for units to be constructed, rehabilitated and conserved by income category. We note that the City has included a broader range of unit types which have affordability restrictions than is required by the law. We commend the City for extending its efforts to preserving the affordability of all assisted units. We have attached an appendix describing some additional revisions which would clarify the conversion status of several projects described in the element. While not required, we recommend that the City revise the element to address these issues to ensure that the element clearly reflects the status and nature of the conversion risk. We are pleased to find that the amendment addresses the requirements of Sections 65583(a)(8) and (c)(6).

Mr. M. L. Koester
Page 2

As you know, our September 9, 1991 review found the City's adopted element in compliance with State housing element law. Therefore, once the draft amendment is adopted into the element and submitted to the Department pursuant to Section 65588(g), the element will again comply with State housing element law (Article 10.6 of the Government Code).

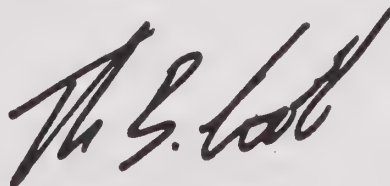
We also note that the City has revised the zoning ordinance to permit the development of emergency shelters and transitional housing in residential districts, subject to a conditional use permit. We commend the City for its efforts to meet the housing needs of this special population group.

To ensure final compliance with State housing element law, the City should submit the adopted amendment as soon as possible pursuant to Government Code Section 65585(g). While the revised draft amendment and adopted housing element now address all the statutory requirements, the amendment must be adopted and submitted to this Department to be in full compliance with the law.

If you have any questions, or if we can be of assistance in implementing the element, please contact Rebecca Hoepcke of our staff at (916) 327-4076.

In accordance with requests pursuant to the Public Information Act, we are sending copies of this letter to the persons and organizations listed below.

Sincerely,

A handwritten signature in dark ink, appearing to read "Th. B. Cook", written in a cursive style.

Thomas B. Cook
Deputy Director

Enclosure

Mr. M. L. Koester

Page 3

cc: James Lightfoot, Planning Manager, City of Simi Valley
Karen Flock, Cabrillo Economic Development Corp.
Karen Warner, Cotton/Beland/Associates
David Booher, California Housing Council
Western Center on Law & Poverty
Jonathan Lehrer-Graiwer, Attorney at Law
Ana Marie Whitaker, Calif. State University Pomona
Ginger Gheradi, Ventura County Transportation Commission
Joe Carreras, Southern California Association of Governments
Kathleen Mikkelson, Deputy Attorney General
Bob Cervantes, Governor's Office of Planning and Research
Dwight Hanson, California Building Industry Association
Kerry Harrington Morrison, California Association of
Realtors
Marc Brown, California Rural Legal Assistance Foundation
Rob Wiener, California Coalition for Rural Housing
Susan DeSantis, The Planning Center

APPENDIX

CITY OF SIMI VALLEY

Following are recommended changes to Simi Valley's analysis of assisted units at risk of conversion to market rate uses.

Because the affordability restrictions on the Patricia Terrace Apartments expired in 1990 and the Royal Place units are condominiums (and therefore are not required to be included in this analysis) there are no units at risk during the current planning period. However, during the 1994-1999 planning period, certain units are at risk. We recommend that the City make the following changes in order to clarify the nature of the subsidies to be preserved and appropriate resources for the particular subsidy types at risk, and facilitate the City's planning and program implementation efforts.

Include an analysis of existing assisted housing developments that are eligible to change from low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use. "Assisted housing developments," for the purpose of this section, shall mean multifamily rental housing that receives governmental assistance under federal programs listed in subdivision (a) of Section 65863.10, state and local multifamily revenue bond programs, local redevelopment programs, the federal Community Development Block Grant Program, or local in-lieu fees. "Assisted housing developments" shall also include multifamily rental units that were developed pursuant to a local inclusionary housing program or used to qualify for a density bonus pursuant to Section 65916 (emphasis added) (Section 65583(a)(8)).

The analysis shall include a listing of each development by project name and address, the type of governmental assistance received, the earliest possible date of change from low-income use and the total number of elderly and nonelderly units that could be lost from the locality's low-income housing stock in each year during the 10-year period. For purposes of state and federally funded projects, the analysis required by this subparagraph need only contain information available on a statewide basis (Section 65583(a)(8)(A)).

The statute requires that only multifamily rental units affordable to very low- and low-income households which were developed with federal, State or local subsidies be included in the analysis. Therefore, units which were developed as first-time homeowner units, i.e. condominiums, and single family units (owner occupied or rental) are not required to be included in this analysis. While we commend the City for monitoring the status of all assisted units, for the purposes of the housing element, the analysis should distinguish the multifamily rental assisted units (as noted above) from the other assisted units included in the element.

The analysis shall estimate the total cost of producing new rental housing that is comparable in size and rent levels, to replace the units that could change from low-income use, and an estimated cost of preserving the assisted housing developments. This cost analysis for replacement housing may be done aggregately for each five-year period and does not have to contain a project by project cost estimate (Section 65583(a)(8)(B)).

The cost analysis for preserving versus replacing the units should specifically distinguish the costs for the assisted multifamily rental units. The analysis should also be expanded to include the cost of preserving the affordability of the existing units, in addition to the cost of replacing the units.

The City should continue to analyze the cost of preserving or replacing all of the units with restrictions which will expire within the planning period, in order to better allocate resources, however, the element should clarify in which group the units belong. Analyzing the units by type may inform the City of the need to develop additional resources to address the requirements of different subsidy types.

Expand the program to preserve for lower income households the assisted housing developments identified in the element. The program for preservation of the assisted housing developments shall utilize, to the extent necessary, all available federal, state, and local financing and subsidy programs identified in the element, except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve local regulation and technical assistance (Section 65583(c)(6)(A)).

Program 10 to preserve assisted units should be expanded to clarify the incentives the City will offer to owners and the costs to the City of renegotiating affordability agreements. For example, for mortgage revenue bonds with prepayment options, the element should indicate how the City will determine the best method of preserving the affordability of the units. Following are some possible program actions which the City should consider:

- Refund the project. This may be the best way to preserve the units for those projects which are in trouble. This may be accomplished only in "optional redemption periods", usually after 7+ years.
- Restructure the bond issue.
- Owners who want out should be encouraged to contact the California Housing Partnership or local nonprofits. This option can include debt restructuring and extending restrictions.
- Monitor bond terms and calendar the potential key dates for conversion or other events which the City could take advantage of to initiate preservation activities.

- Develop restrictions which include antidisplacement provisions or tie the subsidy to the tenant after a certain period.

APPENDIX 5.10
RESOLUTION OF ADOPTION

Resolution No. 93-60

RESOLUTION NO. 93-60

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIMI VALLEY ADOPTING AMENDMENTS TO THE HOUSING ELEMENT OF THE GENERAL PLAN (GPA)

WHEREAS, Section 65350 et seq. of the Government Code allows a City to amend all or part of its General Plan, if it deems it to be in the public interest; and

WHEREAS, in compliance with new provisions of Section 65583 of the Government Code, an analysis of existing assisted housing developments that are eligible to change from low income units to market rate units within the next ten years has been provided; and

WHEREAS, the Planning Commission considered draft amendments to the Housing Element at a duly noticed public hearing and, on January 20, 1993, adopted Resolution No. SVPC 5-93 recommending its approval to the City Council; and

WHEREAS, on April 16, 1993, the State Department of Housing and Community Development completed their review of the draft amendments to the Housing Element in accordance with Section 65585 of the Government Code; and

WHEREAS, on June 7, 1993, the City Council held a duly noticed public hearing to consider adoption of the proposed amendments to the Housing Element of the General Plan

NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF SIMI VALLEY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The findings for the Negative Declaration and the findings of consistency with the General Plan, the Zoning Ordinance and the Government Code, contained on pages two and three of the staff report dated June 7, 1993, and incorporated herein by reference, are hereby approved.


SECTION 2. The Negative Declaration is hereby approved.

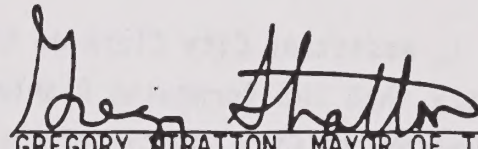
SECTION 3. The amendments to the Housing Element of the General Plan as specified in Exhibit A, attached hereto, are hereby adopted.

SECTION 4. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the Office of the City Clerk.

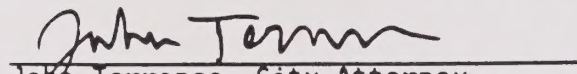
PASSED and ADOPTED this 7th day of June, 1993.

ATTEST:

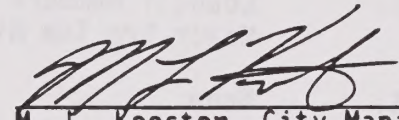

Alice K. Redondo
Assistant City Clerk

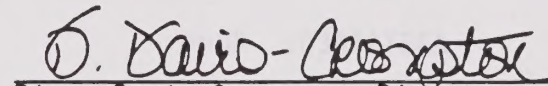

GREGORY STRATTON, MAYOR OF THE CITY
OF SIMI VALLEY, CALIFORNIA

APPROVED AS TO FORM:


John Torrance, City Attorney

APPROVED AS TO CONTENT:


M. L. Koester, City Manager


Diane Davis-Crompton, Director
Department of Environmental Services

I, Assistant City Clerk of the City of Simi Valley, California, do hereby certify that the foregoing Resolution No. 93-60, was regularly introduced and adopted by the City Council of the City of Simi Valley, California, at a regular meeting thereof held on the 7th day of June, 1993 by the following vote of the City Council:

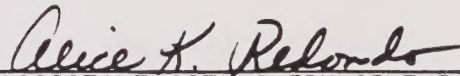
AYES: Council Members Williamson, Webb, Davis,
Mayor Pro Tem Mikels, and Mayor Stratton

NAYS: None

ABSENT: None

ABSTAINED: None

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Simi Valley, California, this 8th day of June, 1993.


ASSISTANT CITY CLERK OF THE CITY OF
SIMI VALLEY, CALIFORNIA

U.C. BERKELEY LIBRARIES



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